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# Sub-Saharan Africa Report

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29 August 1985

## SUB-SAHARAN AFRICA REPORT

## CONTENTS

## BURKINA

- Information Minister Discusses Progress of Revolution  
(Watomou Lamien Interview: SAHEL DIMANCHE, 30 Jun 85)..... 1

## GHANA

- Swiss To Aid Textile, Transport Industries  
(PEOPLE'S DAILY GRAPHIC, 25 Jul 85)..... 7
- Funding for Proposed Fishing Project Approved  
(Rose Hayford; PEOPLE'S DAILY GRAPHIC, 26 Jul 85)..... 8
- Beach Depletions Leading to Sea Erosion  
(PEOPLE'S DAILY GRAPHIC, 1 Aug 85)..... 9
- Land Ownership Theories Debated  
(PEOPLE'S DAILY GRAPHIC, 27 Jul 85)..... 10
- Layoffs of Senior COCOBOD Officials Announced  
(Breda Atta-Quayson; PEOPLE'S DAILY GRAPHIC, 1 Aug 85)..... 11

## MOZAMBIQUE

- Machava Cooperativists Salute Party Leaders  
(NOTICIAS, 6 Jul 85)..... 12
- More Families Liberated in FPLM Actions  
(NOTICIAS, 20, 21 Jun 85)..... 14
- Muecate District 14
- Marromeu District 15

Cabo Delgado Population Receives Weapons (NOTICIAS, 20 Jun 85).....	17
Gaza Governor Addresses Population on Nation's Anniversary (NOTICIAS, 9 Jul 85).....	19
GDR Offers Teaching Materials to University (NOTICIAS, 9 Jul 85).....	22
Mineral Resources Minister Discusses Importance of Sector (Abdul Magid Osman Interview; TEMPO, 23 Jun 85).....	23
FAO Projects Take Shape (NOTICIAS, 5 Jul 85).....	30
Financing for Development Projects in Niassa Increases (NOTICIAS, 9 Jul 85).....	32
Zambezia Province Decreases Imported Fish Consumption (NOTICIAS, 9 Jul 85).....	34
Food, Medicine Arrive in Drought Areas (NOTICIAS, 6 Jul 85).....	36
Changara Farmers Use Lowlands To Surmount Drought Problem (Alfredo Macaringue; NOTICIAS, 10 Jul 85).....	37
Irrigation Project for Beira's Green Zones (NOTICIAS, 10 Jul 85).....	39
Small-Scale Farming in Chokwe To Increase Production (NOTICIAS, 4 Jul 85).....	40
Nhartanda Green Zone Raises Production To Feed Tete (NOTICIAS, 9 Jul 85).....	43
Joint Tobacco Company With Portugal Created (NOTICIAS, 9 Jul 85).....	45
Rice Marketing Figures in Chokwe (NOTICIAS, 10 Jul 85).....	46
Briefs	
Nhamatanda Marketing Successes	48
Landing Strip Built in Maringue	48
ENCATEX Distributes Clothing in South	49
Soviet Warships Visit	49
Jorge Rebelo Awarded Medal	50
Vilanculo Fish Figures	50
Culture Secretary Visits Paris	50
Leaders Visit Bandit Victims	50

Joint Enterprise With Switzerland	51
IFAD Donation	51
CIDAC Head Visits Country	51
Water Official Visits Britain	52
Farmers Build Landing Strip	52
Military Volunteer as Teachers	52
Local Fishermen Resist Coop	53

## NIGERIA

Editorial Decries Traore's Unlimited Reelection Laws (DAILY TIMES, 6 Jul 85).....	54
Babangida Stresses Traditional Defense Role of Army (Olu Adebayo; NEW NIGERIAN, 6 Jul 85).....	56
Military Crashes Continue (DAILY TIMES, 19 Jul 85; SUNDAY TIMES, 21 Jul 85).....	57
Helicopter Crashes Near Ibadan	57
Trainer Crashes in Kagara	57
Military Crash Publications Criticized	58

## SOUTH AFRICA

French Attitudes, Criticisms of Government Scored (Robin Friedland; BUSINESS DAY, 29 Jul 85).....	59
British, West German Stand on Sanctions Hailed (Editorial; BUSINESS DAY, 30 Jul 85).....	62
Survey Says NP Would Win National Poll (THE CITIZEN, 29 Jul 85).....	63
Editors Told To Scale Down Coverage of Unrest (DAILY DISPATCH, 24 Jul 85).....	64
Black Reaction to Botha's Deportation Order of Foreign Workers (SOWETAN, 31 Jul 85).....	65
Policeman Paints Picture of Tensions in Townships (THE CITIZEN, 2 Aug 85).....	66
Center Helps End Shortage of Black Managers (THE STAR, 5 Aug 85).....	68
Conditions of East London's 'Bushdwellers' Described (Tess Courtenay; DAILY DISPATCH, 23 Jul 85).....	69
Port Elizabeth Firms Look to Government for Action (Kin Bentley; EVENING POST, 17 Jul 85).....	71

Two Opposing Views on Disinvestment (POST NATAL, 17-20 Jul 85).....	72
Voith To Increase Investment Despite Emergency (Alan Peat; BUSINESS DAY, 29 Jul 85).....	77
Businessmen Adopting Increasingly Conservative Policies (Tony Stirling; THE CITIZEN, 2 Aug 85).....	78
Shopkeepers Say Trade Is Still Bleak (EVENING POST, 30 Jul 85).....	80
Ciskei Accuses RSA of Economic Sabotage Bid (THE STAR, 30 Jul 85).....	81
Economic Impact of Botha's Answer to Sanctions Detailed (Paul Bell; BUSINESS DAY, 31 Jul 85).....	82
Privatization Seen Key to Next Year's Economic Growth (Paul Bell; BUSINESS DAY, 1 Aug 85).....	84
Commercial Union Earnings Down (Duncan Collings; THE STAR, 2 Aug 85).....	87
Gross Domestic Expenditure Falls (Roger Gidlow; THE STAR, 2 Aug 85).....	88
Economic Partnership Linked to Political Reform (Stan Kennedy; THE STAR, 5 Aug 85).....	90
Standard Warning on Reducing Inflation (Madden Cole; THE CITIZEN, 8 Aug 85).....	91
Electrical Unions Merge After Two Years Talks (THE CITIZEN, 8 Aug 85).....	93
Steel Prices Rise as Import Curbs End (Don Robertson; SUNDAY TIMES, 28 Jul 85).....	94
Plunge in Gold Share, Other Prices Assessed (Editorial; BUSINESS DAY, 29 Jul 85).....	95
Coast Steelmen Upset Over New Tariff Rules (Chris Cairncross; BUSINESS DAY, 1 Aug 85).....	97
Sugar, Coal Industries in Synfuel Race (Don Robertson; SUNDAY TIMES, 28 Jul 85).....	98
Fast Food Industry Plans Year of Bold Expansion (Fred Stiglingh; BUSINESS DAY, 29 Jul 85).....	100

Packaging Industry Reflects Fall in Sales (Fred Stiglingh; BUSINESS DAY, 29 Jul 85).....	102
Meat Imports To Continue, Says Du Toit (Gerald Reilly; BUSINESS DAY, 31 Jul 85).....	103
Builders Cut Township Operations (Kerry Clarke; SUNDAY TIMES, 28 Jul 85).....	104
Asbestos Producers Improve Performance (Daan de Kock; THE CITIZEN, 8 Aug 85).....	105
Tourism Drop Feared This Year (Kerry Clarke; SUNDAY TIMES, 28 Jul 85).....	106
JSE To Upgrade Its Computers (Matthew White; BUSINESS DAY, 2 Aug 85).....	108
Border Post With Transkei To Be Moved (DAILY DISPATCH, 17 Jul 85).....	109
PFP Member Witnesses Craddock Community Leaders' Funeral (Jan van Eck; SUNDAY TIMES, 28 Jul 85).....	111
Weaker NP Seen as Being in Interests of All Reformers (Robert Schrire; SUNDAY TIMES, 28 Jul 85).....	113
Another View on Meaning of Emergency Declaration (Ken Owen; SUNDAY TIMES, 28 Jul 85).....	115
Various Scenarios Describe Aftermath of Emergency (Lawrence Schlemmer; SUNDAY TIMES, 28 Jul 85).....	117
New Chairman of EAC Profiled (Harold Fridjhon; BUSINESS DAY, 31 Jul 85).....	120
Coetzee Reaffirm Police Attitude (THE CITIZEN, 1 Aug 85).....	122
Briefs	
Maritzburg Faces Boycott	123
SBDC Funds Drained	123
All-Race Advisory Council	124
Markinor Survey Results	124
Local Tourism Grows	124
Oil Dependency To End	124
Beef Production Worries	125
Loans for Lebowa	125

## ZIMBABWE

Seminar on Role of Socialist Books (THE HERALD, 25 Jul 85).....	126
Egypt Plans To Diversify Trade (THE HERALD, 25 Jul 85).....	127
Progress Makes Industrialists More Optimistic (THE HERALD, 26 Jul 85).....	128
Workshop To Focus on Wood Harvesting (Andrew Rusinga; THE HERALD, 25 Jul 85).....	129
Briefs	
Wood Pulp Exports	131
Maize Imports Halted	131
Budget Hailed as Fair	131



BURKINA

# INFORMATION MINISTER DISCUSSES PROGRESS OF REVOLUTION

Niamey SAHEL DIMANCHE in French 30 Jun 85 pp 4-5

[Interview with Watamou Lamien, minister of information and culture, by Oumarou Ali, in Niamey; date and place not specified]

[Text] Burkina Faso's Minister of Information and Culture Watamou Lamien, is also government spokesman. Oumarou Ali met with him when he was in Niamey to inspect the Niger CIDC [Inter-African Moving Picture Distribution Consortium] as a delegate for the Conference of Ministers for the Cinema. During an hour and a half of talk about this and that, the minister explained Burkina Faso's democratic people's revolution, the court trials of the agents of the former regime, the revolutionary methods used against the opposition and Moro-Naba, social and religious problems, and the Diawara case.

[QUESTION] The revolution succeeded nearly 2 years ago. Upper Volta became Burkina Faso, and everything had to be started over and built. For a young revolution and a new society, new political structures are essential. After these 2 years of revolutionary action, comrade minister, what is the result?

[Answer] Many things have happened in 2 years of revolution. In the early stages of a revolution, one is in a race against the clock. In a relatively brief period, the people must be shown that the way of life, the management of state property--which is the people's property--and changes in the very perception of our problems and future are a matter of urgency. It must be done very quickly so that in a relatively short time, people will feel that there really are changes.

From that standpoint, we in Burkina have undertaken a certain number of radical changes which have had the advantage of showing the people that the interests being defended by the revolution are the interests of the great majority of the Burkinabe. In July, for example, we had to try most of the dignitaries of the former regimes and the officials of many state-owned firms. In short, we are being led to judge a system. Those trials are not over--far from it. But what we have been able to do is show clearly is that the people

who were responsible for the state or economic apparatus used it to enrich themselves individually. Instead of the interests of the people, it was their own development they were concerned about.

We recovered what those people had stolen, or at least what was left of it--that is, the portion that had not been squandered on champagne and more houses, vehicles, and so on. The people must recover what is theirs. And the people observed and saw that the revolution had really come to safeguard the interests of the majority.

We have been able to solve the housing problem, if only in part. Real estate speculation has been stopped. We did not consider it normal that people should grab off subdivisions by the dozen when Burkina belongs to the Burkinabe. We simply nationalized the land. In other words, the land belongs to the state and to no one else.

We then decided to subdivide big towns on a big scale to ensure access for everyone. We subdivided 18,500 parcels in less than a year. The only rule is that the individual must be a Burkinabe. But it is not enough to have parcels. People must also be given the opportunity to build. We therefore set up a housing bank that facilitates the granting of a certain number of construction loans. We also decided to exempt building materials from import duties. First we reduced rents radically, and then we decided simply to abolish rents. In other words, nobody pays rent. It has now been 6 months since we took that step. We also reduced school fees by 50 percent.

[QUESTION] What have the reactions been to those measures?

[Answer] There have been reactions, of course, but revolution also means force.

[QUESTION] So for you, comrade minister, it is a matter of combating an entire system. What revolutionary method was used against the veiled opposition and Moro-Naba?

[Answer] Moro-Naba quickly understood our concerns and the interests of the moment. And more or less the same is true of all the opposition forces whose interests are being challenged. There are plots from time to time to overthrow the government. But the people are not asleep. Basically, one thing needs to be said. Struggle for political power, regardless of which political power, involves the use of violence. No political power controls power by getting along with everybody. Violent reaction is our response in Burkina when imperialist opposition forces try to boot out our revolution. But violent reaction is not specific to revolutions. It is characteristic of every political power. The difference in the case of revolution is that violence serves the interests of the population, while for reactionary forces, violence serves the interests of the minority. We use violence as a method for strengthening the interests of the community.

[QUESTION] Let us go back to Moro-Naba. What does it represent in the eyes of the revolutionary regime?

[Answer] Moro-Naba is the true sample of feudalism. Under the previous regimes, it was much listened to and well provided for. The revenues from electricity, water, telephone service, and a whole pile of other things were given to it free. The revolution has now put a stop to that. But we have not suppressed Moro-Naba, even though it represents a body of political opinion that we are combating, because we cannot challenge the existence of Moro-Naba as a "vestige" of our past. No. We have no particular problems with Moro-Naba. For that matter, it participates in many revolutionary activities. We feel that when we succeed in changing people's living conditions, certain social relationships with respect to Moro-Naba will also change.

[QUESTION] How do you describe the revolution in Burkina Faso? What specific features does it present in comparison with other progressive countries?

[Answer] Ours is a democratic people's revolution. This means that in our estimation, our country's--our society's--level of economic, political, social, and cultural development is such that the kind of changes we can make is limited in comparison with a number of revolutions seen around the world. Our concern is to induce the great majority--the exploited--to take charge of their own future. For the moment, our revolution is not called upon to see to it that the privileged interests are exclusively those of the socialists--that is, to ensure the type of system that favors basically the working class.

Our concern, I repeat, is to involve those who were exploited under the former regimes and mobilize them for economic changes. At this point, the democratic aspect is the most important one. It is a matter of taking into account the interests of several classes (peasants, small merchants, and so on) that were exploited under the previous regimes and allowing them to exercise power as the revolution progresses.

That leads us to distrust certain adventurist solutions that may call for very radical changes. For example, we cannot nationalize everything in the territory because we feel that people are willing to work as individuals for the cause of the revolution.

A democratic revolution is difficult to set up, because there are many hindrances. A great deal of flexibility is required with regard to a certain number of class interests that are part of the people. That is more or less what makes our revolution original in comparison with certain well-known revolutions.

[QUESTION] What about Marxism-Leninism? In Congo, for example, it is taken not as dogma but as a guide.

[Answer] The writings of Marx and Lenin are not the Bible. They are not sacred scripture. One must be able to understand them, take what is essential, and adapt it to a given revolution and situation. That is as far as we go.

[QUESTION] How do the Burkinabe religions fare in the democratic people's revolution?

[Answer] Religions fare normally. The Burkinabe are 99.99 percent Catholic, animist, Moslem, and so on. It is not our intention to destroy them. On the other hand, if a denomination or its leader attacks the revolution, it goes without saying that we will not leave it or him in peace. This does not mean that we are challenging their religion. For example, there are those who use their religious apparatus to combat the revolution. We will curb them. We will curb the apparatus, which is human, but not religious belief.

[QUESTION] What is your revolution's relationship with pan-African movements?

[Answer] We pay tribute to a number of pan-Africanists.... We are favorable to anything that promotes the bringing together of the African people in a real and effective manner.

[QUESTION] There is currently talk in certain intellectual circles of African federalism. The idea is that in view of the present difficulties--the difficult economic conditions, famine, desertification, and so on--such a system could not only reduce those problems but also bring the African people together in a sort of community feeling. What do you think?

[Answer] Those are good ideas, but unfortunately, they cannot be realized on the spot. As long as we have not managed to create unity and interreaction in everyday matters, there will always be clever types who will feel that it is not in their people's interest to unite with another. People who are favored by nature will say that "there is no point in uniting with people who have limitless problems and who will come impoverish us." In short, it is a good idea that must be pressed if it is to be accepted.

[QUESTION] Considering the economic and technological stakes, North-South and South-South trade, and the difficult international economic situation, one can imagine that for countries such as Burkina, where social changes are not yet complete, the situation is not an easy one.

[Answer] The revolution is one formula making it possible to combat those problems. It is necessary to start from a number of considerations. There are at least two basic reasons why we have these problems: 1) a type of behavior--economic behavior that is inconsistent with our interests--is being imposed on us, and 2) locally, we ourselves make no effort to solve the problems being posed on the national level.

Those two situations combined explain all the problems we are experiencing. Imagine what would happen if someday the African countries decided to harmonize their trade policies with respect to the rest of the world....

The revolution makes it possible to escape that alienating formula and mobilize energies on the national level. For example, the developed countries are willing to give us billions to exploit such and such a mine, but they are reluctant to give us billions to dig wells for our inhabitants.

Anyway, man has managed for thousands of years to solve every problem facing him. We are kept from solving our problems by the mirage of the easy way out.

[QUESTION] Let us talk about the Ouagadougou-Tambao railroad. It seems that the financial backers are growing increasingly reluctant. What is your government's position on that problem?

[Answer] The railroad is moving ahead. We have covered over 20 kilometers already. Naturally, we had asked for the support of a number of partners to buy the rails.... It has long been said in the African Railway Union (UAC) and in the CEAO that railway interconnections must be developed. It was with that in mind that we decided to build a railroad to Dori.

The financial backers have said that it is not viable. What I would like to know is how the problem of railroads was solved in Europe. Did anyone take the trouble to carry out economic feasibility studies? So we have decided that there are people who do not want us to have the means to develop. We are trying to do our best with a little help from our friends. We have started. At the current pace, it is difficult to know the exact year in which the railroad will be completed. In 20 years? In 30 years? The important thing is to complete it.

[QUESTION] Comrade minister, as spokesman for your government, you stated (on 23 June 1985) that the Diawara case would be tried by revolutionary people's courts. What are the charges? How will his defense be handled?

[Answer] The chiefs of state have decided that Diawara will be tried by the courts in the headquarters country. We have our court system. There is no reason to say that it is not good. If a country is carrying out a revolution, its courts will necessarily be revolutionary. We are going to try people. All jurists have taken an interest in our TPR's (People's Revolutionary Courts). So it is a court system as reliable as any other.

What happens in bourgeois courts? Those who can afford it are always covered. Someone is paid to misrepresent the facts so that the defendant will receive the minimum sentence. That is not responsible. Anyone who commits acts is himself liable and must be able to explain his acts. He explains. The people are lenient enough to know whether he should be shown leniency or not. So everyone defends himself.

That is the entire difference between a reactionary court system and a revolutionary court system.

Anyway, as far as the Diawara case is concerned, it is not yet certain that it will be heard by the TPR's, because we also have the traditional form of courts that came from outside. But it will be up to us to determine the type of court. The chief of state has decided that the crooks in the CEAO will be tried at the House of the People. The trial will be broadcast. All the CEAO countries will be able to listen and learn how the CEAO was managed in their time.

[QUESTION] But comrade minister, the case is a subregional one. Wouldn't a justice system applied by all the member countries be more effective?

[Answer] Of course the case is subregional. But there is no subregional justice system. So somebody's court system has to take care of it.

If anyone says that our court system is not credible, he must tell us why the court system of some other country is more so.

As far as we are concerned, the case will be tried by our own methods, either by the traditional courts or the people's courts. And there is no reason to doubt our spirit of fairness.

[QUESTION] Is their defense guaranteed?

[Answer] What is defense? Lawyers? The people are just as capable of defending someone as they are of accusing him.

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GHANA

## SWISS TO AID TEXTILE, TRANSPORT INDUSTRIES

Accra PEOPLE'S DAILY GRAPHIC in English 25 Jul 85 p 1

[Text]

**THE Secretary for Finance and Economic Planning, Dr Kwesi Botchway, on Tuesday signed an agreement in Berne, Switzerland with balance of payment assistance of 20 million Swiss Francs (about eight million dollars) to Ghana.**

The amount is to be utilised for the purchase of spare parts, accessories and raw materials for the rehabilitation of the textile industry and the transport sector.

The amount will also be used to purchase raw materials for local drug production.

Areas in the transport sector to benefit from the amount are the Railways and the State Transport Corporation's Saurer trucks programme.

The agreement is a follow-up of the second

donors' conference held in Paris in December last year.

Following the first donors conference in December 1983, the Swiss Government granted Ghana seven million Swiss Francs last year exclusively for the rehabilitation of the transport sector.

At the signing ceremony, the Swiss representative commended the PNDC on its practical and realistic economic policies and assured Ghana of Switzerland's continued support.

Dr Botchway for his part assured the Swiss Government of Ghana's determination to carry through the economic recovery programme as a first step to sustained economic growth and development.

CSO: 3400/862

GHANA

# FUNDING FOR PROPOSED FISHING PROJECT APPROVED

Accra PEOPLE'S DAILY GRAPHIC in English 26 Jul 85 pp 1, 4

[Article by Rose Hayford]

[Text]

**THE Agricultural Development Bank has been granted a total of 21-million units of account credit, that is 19.8 million dollars, by the African Development Fund (ADF) and the European Development Fund (EDF) to enable it to carry out its programme for the fishing industry.**

The credit facility which will be administered by the ADB would benefit fishermen in the country and improve on the industry.

Speaking at the launching of a new motor vessel, TM 'OKYESO' at Tema on Wednesday, the managing director of ADB, Mr. Samuel Odame-Labi, said the ADF will give 15 million units of account (14.2 million dollars) while the EDF will also provide six million units of account (5.6 million dollars).

Mr Odame-Labi announced that the ADF credit has already been declared effective and tenders will soon be

opened for bidders for the supply of the goods.

According to the managing director, the EDF credit has been earmarked for repairs of non-functional vessels which have been identified along the coast and the procurement of nets, ropes and hooks for fishermen.

Part of the credit, he said, will also be used in bringing in spare parts to rehabilitate existing cold stores.

Cold store plants are also to be put up at landing beaches where there are no such facilities.

The managing director of Kodu Fisheries, Mr Kwaku Dofah who owns the 'Okyeso' motor vessel, commended the ADB for coming to the aid of the fishing industry.

The Technical Manager of Boatyard Division of GIHOC, Mr S. D. Abayaah appealed to boatowners to help the division to build a second slipway to facilitate repairs of fishing vessels.

A director of the Kodu Fisheries, Mrs Esther Dofah, launched the vessel.

CSO: 3400/862



GHANA

## BEACH DEPLETIONS LEADING TO SEA EROSION

Accra PEOPLE'S DAILY GRAPHIC in English 1 Aug 85 p 8

[Text]

**THE Architectural and Engineering Services Corporation (AESC) has reiterated the call on the public, especially government agencies to refrain from winning sand and pebbles along the country's beaches because of the dangers of sea erosion it posed.**

In an interview in Accra yesterday, a spokesman for the corporation said despite several warnings against such activities, it had come to its notice that some individuals as well as government set-ups were still winning sand along some of the beaches — the James Town Beach being the worst affected.

The spokesman said "it is embarrassing when government agencies such as the Accra City Council (ACC) charged with protecting the country's laws flouted them".

He said his office had sent a letter to the City Engineers Office of the

ACC requesting it to put an end to such activities and also to help prevent any such acts along any of the country's beaches.

When contacted on the issue, the City Engineer of the ACC, Mr S. O. Bortey, said workers of the council who collected sand from the beach were not authorised by it.

Mr Bortey admitted receiving a letter from the AESC on the issue early last month and said ACC workers involved have since then been stopped.

He said the ACC was aware of its responsibility of guarding the beaches but said most illegal sand winners arrived at the beach early in the morning before the arrival of the council's guards at the beaches.

Mr Bortey stated that the council now used pit sand instead of beach sand for its projects but admitted that a lot of private individuals were engaged in the illegal winning of sand from the country's beaches.

CSO: 3400/861

GHANA

## LAND OWNERSHIP THEORIES DEBATED

Accra PEOPLE'S DAILY GRAPHIC in English 27 Jul 85 pp 1, 5

[Text]

**PROFESSOR George Benneh, Pro Vice-Chancellor of the University of Ghana, Legon, has argued that the idea of abolishing local sovereignties so that all the lands in the country become state lands and administered by government, may only be plausible in theory.**

This is because apart from the large bureaucracy which will have to be created to administer all the lands in Ghana, it will also be a very costly exercise. He was speaking at a seminar on the problems of agricultural development and land policy at the UST in Kumasi.

According to Prof Benneh, the advantage under the present customary land tenure systems in the country is that only few Ghanaians can claim to be landless.

On the other hand, he said, past experience in the country shows clearly that it is a certain class of people who gain access to state lands whether these lands are in the urban or rural areas.

He went on: "invariably, the poor illiterates who can obtain land for building dwelling houses or to cultivate for feeding their families under the present tenure arrangements are discriminated against when the land in their area is taken over by government."

In the view of Prof Benneh, however, a more compelling reason for an evolutionary route to land reform is that a land reform that imposes a new system of land tenure by fiat is likely to be alien to the rural people and incompatible with customary working rules concerning land that they understand and have confidence in.

To support his view Prof Benneh quoted one Arulpragasam as saying that "legislation that is not in agreement with the revo-

lutionary path of an agrarian system remains hollow and ignored".

He further noted that share cropping is the second major problem associated with existing tenure systems in Ghana and that though it enables strangers to gain access to land, the terms under which land grants are made are often not favourable to tenants.

It is to solve these problems, according to Prof Benneh, that a recent Food and Agriculture Organisation (FAO) sponsored seminar made certain recommendations.

Among others, it said that share cropping tenancies should be replaced by cash tenancies and therefore the need for a rent stabilisation legislation to give effect to this recommendation.

GHANA

## LAYOFFS OF SENIOR COCOBOD OFFICIALS ANNOUNCED

Accra PEOPLE'S DAILY GRAPHIC in English 1 Aug 85 pp 1, 5

[Article by Breda Atta-Quayson]

[Text]

**ABOUT 460 senior staff of Ghana Cocoa Board (COCOBOD) have been laid off. A total of 19,000 COCOBOD staff will be affected by the exercise.**

Letters giving notice of the termination of their appointments which takes effect on October 31, this year were distributed to them yesterday at the Cocoa House, Head Office of COCOBOD.

The officers have been declared redundant for various reasons — poor work performance, lack of establishment, ill health and old age.

The appointments of some of them have also been terminated because they are already due for retirement.

According to sources close to the COCOBOD, the retrenchment of the 460 senior staff has taken place after a serious examination for two years.

Three committees — In House Committee, Across the Board Committee, Central Selection Committee — were formed to examine the retrenchment of these senior officers before reports were sent to the Implementa-

tion and Monitoring Committee of the Restructuring of COCOBOD which was appointed by the PNDC.

The retrenchment exercise will affect five of the COCOBOD divisions namely COCOBOD Head Office, Produce Buying Company Limited, Cocoa Services Division and the Cocoa Marketing Company.

After the retrenchment of the senior staff, the sources said, it will be the turn of the junior staff where a large number of them will be laid off.

At least by August 31, 1985, those affected will receive their letters giving them notice of termination of their appointments.

From the junior staff, the retrenchment exercise will continue at the Cocoa Processing Factories.

This will be after the Peatmarwick and Mitchell companies — World Bank consultants — reports have been studied by the management of the COCOBOD.

However, according to an informed source, as a result of the retrenchment exercise, a number

of workers at the COCOBOD are resigning to preempt the termination of their appointments.

The source said in some departments like the Public Relations and Legal Departments, the staff strength has been reduced to such a level that they cannot function effectively.

Most of the affected workers cannot understand why their appointments should be terminated.

For example, Mr. A. L. Osanquaye, a Senior Administrative Officer who has been affected said "I have worked with the COCOBOD for 30 years and I have never done anything wrong, there is nothing on my record to warrant my dismissal."

Meanwhile anxiety has permeated the whole COCOA HOUSE as nobody knows who is going to be affected by the exercise.

It will be recalled that in 1983, a seminar was held at GIMPA Greenhill to restructure the then Cocoa Marketing Board (CMB) and the entire cocoa industry to make them viable institutions.

MOZAMBIQUE

MACHAVA COOPERATIVISTS SALUTE PARTY LEADERS

Maputo NOTICIAS in Portuguese 6 Jul 85 p 1

[Text] A delegation of members of the 7 April and Julius Nyerere cooperatives, located in the zone of Machava, was received yesterday by Jorge Rebelo, member of the Political Bureau and first secretary of the city of Maputo, to whom they voiced their satisfaction at the support which the FRELIMO Party had provided for the development of the productive activity. In their conversation with the party and government leader, some problems were identified which affect the two cooperatives and alternatives for solving several of them were noted.

The audience took place in the headquarters of the City Committee. Teresa Jamisse, president of the 7 April Cooperative, presented a message from the cooperative members, praising the highest leader of the party, President Samora Machel, for the wisdom and dynamism with which he has led the Mozambican people. The cooperativists also praised the success of the commemorations of the 10th anniversary of national independence in the capital.

"We, the members of the 7 April Cooperative, have come to thank the party for its efforts to insure that the 10th anniversary festivities would be a success," said the message from the cooperative members.

In turn, the party first secretary in the city of Maputo praised the gesture of the cooperativists, declaring that it demonstrated their engagement in the task of consolidating national independence through the development of the cooperative movement, to combat the speculation observed in the Maputo city markets.

During the meeting, the cooperativists told the first secretary about the various problems they face in agricultural production, from the lack of a team of oxen and chicken feed to the lack of transportation to distribute their produce. In the ensuing dialogue with the first secretary, some alternative solutions were noted for some of the problems.

Present at the meeting were Cristina Tembe, secretary of the Organization of Mozambican Women in the city of Maputo, officials of party structures in Urban District No 7 and representatives of the cooperatives.

Later, the members of the 7 April and Julius Nyerere cooperatives presented Jorege Rebelo with a check in the amount of 15,000 meticals, as a contribution to the nation's defense capability. They also donated a large quantity of farm produce in honor of the success of the 10th anniversary of national independence, particularly the celebration in the nation's capital.

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CS0: 3442/352

MOZAMBIQUE

MORE FAMILIES LIBERATED IN FPLM ACTIONS

Muecate District

Maputo NOTICIAS in Portuguese 20 Jun 85 p 1

[Text] Members of the population totaling 151 persons voluntarily surrendered to our authorities after having evaded the vigilance of the armed bandits at a time when the latter were violently attacked by the Armed Forces of Mozambique (FPLM) in the region of Muecate district.

The population which had been living compulsorily for several months with the armed bandits in a large enemy camp is located in the headquarters of Nampula district, in Rapale, the former Nova Chaves, waiting for its reinstatement into normal life.

These citizens had a deplorable physical appearance, marked by mistreatment, disease, hunger and various deprivations experienced while held captive by the armed bandits. The mental state of some individuals appears to be serious. Traumatism has seized those citizens to such an extent that, on the site where they are located, there is little movement; they appear insecure in the presence of people and also hamper the health effort.

At the present time, food and clothing are being prepared, followed next by the locating of an area for the construction of a communal village exclusively for the people who had been living up until that time under compulsion, with the armed bandits.

Another identical priority lies in the opening of agricultural camps, with the aid of the local government, which will send production implements and seed.

Meanwhile, six active "madjibas" [armed bandit collaborators] were caught by the Armed Forces of Mozambique as they were wandering about after having lost the control and location of the area of their hideout, owing to the Army's penetration of the jungle.

One of them, named Ernesto Joaquim, seemingly about 40 years of age, had served the armed bandits for nearly a year and 4 months, having toured several camps, namely, those in Muarrerimue, Mecuburi, in Caramanja, Nampula, and in Muhula, Muecate.

Ernesto Joaquim remarked: "I was located in Monapo district. One day, armed bandits showed up at my house and took the best things that I had: chickens and peanuts, and they later left the area." He added: "On another occasion, when I and my wife were participating in the cleaning of my parents' farm, the armed bandits showed up again, kidnapping me. Then they burned the thatched hut in which I was living and raped my wife."

He later said that, during the third week with the bandits, a group of them organized to burn a government vehicle, "and at that time I was ill, because I had been bitten by a cobra."

And he added: "The same day, we were informed that the FRELIMO forces had just located the area where we were, and so we withdrew to another site called Opewe (a place for praying), at all times led by a bandit named Alfredo. We crossed the Muacate River, remaining in this region for 3 weeks; and on one occasion we were attacked by the FRELIMO forces together with the militiamen. We managed to escape in time to another region called Muarririmue, a base at which the bandits' ringleaders were located: Mambo, Cameco and Ingegere. We were also attacked here again."

Continuing his story, he claimed: "We escaped and entered Mecuburi district. We were later informed that the FRELIMO troops had just razed a camp in the vicinity. At that time, the bandits' morale was very low, and, after that, had a chance to escape. During the time that I spent with the armed bandits, I had the job of attacking civilians, and stealing from the population to supply food for the criminals."

Ernesto Joaquim also said that he recalled, "Once, they turned over to me five men to kill in the Muiana region. I murdered, afraid of them."

Ernesto Joaquim is under orders from our authorities, at the Nampula district headquarters, Rapale.

#### Marromeu District

Maputo NOTICIAS in Portuguese 21 Jun 85 p 10

[Text] During the period from January to March of this year, units of the Armed Forces of Mozambique liberated over 300 families who, up until that time, had been living compulsorily with the armed bandits in Marromeu district, Sofala. The action resulted from military operations.

Pedro Abilio Malate, a military commander in the area, recently told the press that, during the same operations, one armed bandit was killed and 20 others taken prisoner. Also captured were some protectors of the bandits, commonly known as "madjibas" [collaborators].

That official noted that some of the captured bandits admitted having come from the camps in Massiambodza and N'Doro, located in Cheringoma district, on a reconnaissance mission to find military and civilian targets in Marromeu.

Reports from that officer from our Army disclose that the troops in Marromeu district have received information on the terrorists' movements and are locating the directions from which they come. He added that the constant patrolling and ambushes in the suspected areas have made it possible to detect the enemy before the latter can commit acts of terrorism and destruction.

According to Comdr Pedro Malate, more families continue to arrive at the Marromeu district headquarters. To cope with this influx, a commission has just been formed for the reception and organization of the families that manage to escape from the bandits.

The provincial government of Sofala, through the Provincial Department to Prevent and Combat Natural Disasters, is supporting the families which have returned with clothing, food and items for household use.

The same commission is responsible for the construction of housing to lodge the victims of the armed bandits, most of whom appear in a critical state of malnutrition.

2909

CSO: 3442/331



MOZAMBIQUE

CABO DELGADO POPULATION RECEIVES WEAPONS

Maputo NOTICIAS in Portuguese 20 Jun 85 p 1

[Text] This month, the population of the district of Quissanga, in Cabo Delgado, received weapons to defend the fatherland from the criminal acts perpetrated by the armed bandits, and is also conducting a politico-military training campaign for its increased involvement in the region's defense. In Meluco district, the students at the Muaguide Pilot Center requested weapons and donated 6,000 meticals to reinforce the defense capacity.

The delivery of weapons to the Quissanga population was carried out by the national defense minister and director of Cabo Delgado Province, Army Gen Alberto Chipande, during a people's rally.

At this ceremony which, moreover, constituted a gesture of determination on the part of the population of Quissanga district against the atrocities of the armed bandits, emphasis was placed on the major role that every individual must play to combat the armed banditry, a fundamental factor in executing the socioeconomic programs.

The Army general noted that the heightening of the people's vigilance should be evident in the population's everyday activity, so as to neutralize each and every act of the armed bandits.

The director of Cabo Delgado Province was on a visit to the districts of Quissanga, Meluco, Ancuabe and Pemba, including several communal villages, to become informed of the problems being confronted there.

At the Muaguide Pilot Center in Meluco, the students made an appeal to General Chipande to give them weapons, so that they might organize for their self-defense against the atrocities of the armed bandits. They donated a sum of 6,000 meticals to reinforce our country's defense capacity.

The students from this center explained to the director of Cabo Delgado Province that they are beset by problems involving a lack of teaching materials, clothing and footwear.

An important point is that the Army general congratulated the districts that he visited for having fulfilled the planned marketing goals. In the districts of

Meluco, Ancuabe and Pemba, positive results were accrued in the 1983-84 agricultural campaign and the market prices of products were announced for the 1984-85 campaign.

The director of Cabo Delgado Province again issued an appeal for an even greater increase in agricultural production as a means of solving the problem of staple product shortages.

On the other hand, it should be noted that the administrator of Palma district urged the local population to participate more intensively in programs for the fatherland's defense and in a greater heightening of vigilance. He explained that the population must be trained to defend the country. On this occasion, 30 youths were selected for the Beira Base, where they will receive the proper military training.

The administrator of Palma, who met with the population of M'Tamba, remarked: "The campaign for training the population is not meant for M'Tamba alone, because all the villages will be included in the locality of Nangade. All residents of those villages will receive weapons to defend the district, the locality and the communal village," he commented.

2909

CSO: 3442/331

MOZAMBIQUE

GAZA GOVERNOR ADDRESSES POPULATION ON NATION'S ANNIVERSARY

Maputo NOTICIAS in Portuguese 9 Jul 85 p 3

[Text] The first secretary and governor of Gaza Province, Col Aurelio Manave, urged the province's population to make the second decade of our independence a decade of peace, harmony and social prosperity for all citizens. The Gaza governor addressed nearly 10,000 individuals who gathered on the morning of 25 June in the city of Xai-Xai, at a rally which marked the high point of the celebrations of the 10th anniversary of national independence in the province.

In his address, Col Aurelio Manave reviewed the main events which occurred in Gaza since the proclamation of independence, stressing the heroic role played by the populace in the struggle against the consecutive imperialist attacks of which the province has been a victim, and against the natural disasters which have severely ravaged this section of the country.

The rally, which was also attended by the second secretary and provincial military commander, Col-Gen Fernando Matavele, as well as other leaders of the party and government in the province, was preceded by a parade, in which 5,000 persons participated, including women, youths, workers and children born during the first year of independence. Moreover, it was these children who presented several mass gymnastic displays, causing the nearly 10,000 people gathered in the Gaza sports complex to quiver with delight.

On this occasion, they also witnessed the performances of several singing and dancing groups, prominent among which was the participation of a group of marimba players from Zavala and another choral singing group, also from Inhambane, as part of the cultural exchange that exists among the provinces in the southern zone.

After these activities there was the presentation of messages from the mass democratic organizations and the defense and security forces, reaffirming the determination of this province's population in the battle against famine and the total elimination of armed banditry.

At the conclusion of the messages, the first secretary and governor of the province, Col Aurelio Manave, proceeded to decorate 65 citizens who had distinguished themselves on the different combat fronts with the medal of

"Valor and Patriotism" of the first and second class. For some of those honored, the award of the medal was made posthumously.

Addressing the population, the Gaza governor stressed the fact that the victory which we celebrate today is the result of the willing sacrifices of our people's best children opposing Portuguese colonialism; and also emphasized the major figures in our history of resistance, such as Ngungunhane and Maguiguane.

Aurelio Manave cited in particular the attacks of which our country has been the target since independence, such as the one carried out by the military of Ian Smith's racist regime, which was concentrated primarily on Gaza Province, where various economic and social infrastructures were destroyed, such as the tropospheric station, housing and buses in Chicualacuala, the Macarretane dam, the Chokwe/Guija bridge and others.

Col Aurelio Manave said: "Continuing its warrior tradition and cementing the national unity increasingly, the population of Gaza drove back Ian Smith's invasions and now, with the same firmness and determination, it is bent on the elimination of armed banditry."

He also recalled the effects of the natural disasters which have devastated the province, specifically, the rain in 1977 and the drought, especially in recent years, which brought enormous human and material damage. The Gaza governor remarked that the population never hesitated in the face of these problems and, with its combative spirit and traditional features, managed to reduce the food crisis through the utilization of lowlying areas and the massive use of animal hauling.

#### Economic Recovery

Governor Aurelio Manave also discussed the success that the province has attained in the economic realm, especially starting with the 1983-84 campaign. In fact, the initiation of the process of decentralizing and reorganizing the agrarian sector into small sized units geared to the existing capacities and resources made it possible to improve the per hectare production indexes, particularly for rice. For example, on the 12,000 hectares planted, 23,000 tons have already been harvested and it is expected that, by the end of the harvesting a record production of 32,000 tons will be achieved.

Concurrently with the reorganization of the state sector, the family farmers were organized in collective modes of production to utilize the abandoned or under-utilized areas. At present, there is a total of 57 agricultural cooperatives operating in the province. Also noteworthy is the creation of small projects in Marrambajane, Chalucuané, and Lionde, in the district of Chokwe, and Lumane and Inhamissa, as well as the manufacture of air-pumps in the district of Xai-Xai.

## The Various 25 June Celebrations

However, 25 June in Gaza was not marked merely by the parade and the rally held on that date. The program of festivities began on 15 June, with the holding of mobilization meetings on the local work and residential level, the showing of films dealing with the date in Xai-Xai, Chokwe and Macia and the holding of cleaning and beautification drives in the cities.

A few days later, two exhibitions were opened, one of items made by innovators and inventors from the city of Xai-Xai, and another of photography and arts and crafts items.

On 24 June, a new water supply system was opened in the Patrice Lumumba Communal District and the first stone was installed for the construction of the future Independence Square.

Nevertheless, the largest of all the events celebrating 25 June in Gaza was the opening of the first edition of the Provincial Economic Fair, an event of major economic and social importance on the provincial level. FEG/85 is an example of the potential that the province has in the areas of agriculture, commerce, construction, small industries and other economic and social activities. At FEG/85, cultural and recreational activities are also taking place, with the performances of several song and dance cultural groups and the holding of various games.

2909

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MOZAMBIQUE

# GDR OFFERS TEACHING MATERIALS TO UNIVERSITY

Maputo NOTICIAS in Portuguese 9 Jul 85 p 2

[Text] The German Democratic Republic donated various types of teaching materials to the Eduardo Mondlane University, at a ceremony which took place a few days ago in the city of Maputo, at the School of Education. Gero Schmidt, cultural attache of the GDR Embassy, undertook the delivery, and the donation was received by the director of the School of Education, Paulus Gerdes.

The donated material consists of projectors, equipment for chemical laboratories, notebooks, containers for first-aid supplies, scales for laboratories, and other miscellaneous equipment, for the Schools of Education, Veterans, Engineering and Medicine.

The value of this donation has been estimated at nearly 800 contos, and it comes from the Solidarity Committee of that European socialist country.

Taking the floor on this occasion, Gero Schmidt said that the gesture expressed the deep friendship and solidarity existing between the GDR and RPM.

The cultural attache from the GDR Embassy in Maputo declared: "In delivering this donation, we are very proud because we realize that it is from the university that the new man will emerge."

The director of the School of Education, in turn, remarked that the donated material would minimize the shortage being felt in various laboratories in the schools of Eduardo Mondlane University, and would enable the students to enhance their technical knowledge.

He also noted that the material would be well cared for so that it could be used longer.

It should be observed that this is the fifth time since 1983 that the GDR has donated teaching materials to UEM.

2909

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MOZAMBIQUE

MINERAL RESOURCES MINISTER DISCUSSES IMPORTANCE OF SECTOR

Maputo TEMPO in Portuguese 23 Jun 85 pp 59-62

[Interview with Mineral Resources Minister Abdul Magid Osman; date and location not specified]

[Text] Mineral resources during the 10 years of independence were the topic of an interview which the head of that ministry, Abdul Magid Osman, granted to Mozambican Information. In it, he discussed the importance of mineral resources over the next 10 years, as a leading sector attracting foreign exchange to the country, the significance of coal in this context, the first drilling for oil prospecting due to be carried out this very year and, in particular, what has been accomplished in the area of geological work and research and in the realm of training cadres for the sector. We are publishing below excerpts from the aforementioned interview:

[Question] Mr Minister, mineral resources constitute an important strategic area for Mozambique's economic development. What are the most important features from the standpoint of the sector's historical background and progress, during the past 10 years?

[Answer] To answer this question I think it might be useful for us to start first by positioning Mozambique in this section of southern Africa where we have a group of countries whose mineral resources play an extremely significant role: South Africa, Zambia, Zimbabwe, Angola itself to some extent, Botswana and even Swaziland.

Unfortunately, in our country mineral resources lack the same importance at the present time. This is due to several causes, primarily, the fact that Portugal is not a traditionally mining country and also because, during the colonial period, the Salazar government and Marcelo Caetano's government, for political reasons, did not allow foreigners to make investments in the colonies. This was not permitted until the final phase of the liberation struggle.

But the fact that Mozambique does not carry very great weight in terms of mineral resources doesn't mean that it lacks great potential. Nearly two thirds of Mozambican territory is of the pre-Cambrian age; hence it is over

600 million years old. It is in that pre-Cambrian formation that nearly 85 percent of the world's mineral resources are located. This means that Mozambique has great potential. It could merely be regarded as almost a virgin country from a geological standpoint.

When the country's independence occurred, the first task was to intensify the work on geology and on geological research. It may be said that, in 10 years, more solid mineral geological research was accomplished than during the entire colonial past. This made it possible to become better apprised of the country's geological history. It allowed for better direction in the more detailed research, in an attempt to learn the reserves of certain ores in greater detail, as well as their quality, and how those ores could be processed.

One of the most important events during those 10 years was the great amount of geological research that was done. In addition, another highly important feature was the training. During the colonial period, there were virtually no drills in existence, nor any geological aides. In 10 years of independence, over 400 specialized workers were trained as geological aides, geophysical aides, topographical aides and laboratory technicians. At the present time, we have more than 300 workers abroad being trained in intermediate and higher level courses. Importance is being attached to the training of higher-level cadres, both in our university and abroad.

As a logical trend in the training of cadres new institutions also emerged, especially laboratories. It may even be claimed that the Maputo Laboratory is one of the most advanced in southern Africa.

The third important feature during the past 10 years is the starting of some major projects, particularly the one on coal. In 10 years of independence, it was possible to double the productive capacity. In Moatize, it is possible to produce over a million tons of coal, but for various reasons this has not been done, mainly because of transportation problems. Another very important project was also begun in the Zambeze area, in Morrumbene, Muiane and Marrupine; namely, the pegmatites project for the production of tantalum and niobium.

I think that this gives an idea of the work that was accomplished during the past 10 years.

#### Coal Reserves From 7 to 14 Billion Tons

[Question] You mentioned geological research. Of the geological findings already discovered, which are most important and what use is being made of the results of those findings?

[Answer] When we talk about a geological finding, we must realize that, after it some detail work must also be done, using geophysical, geochemical and probing methods to ascertain whether the deposit has any economic prospects. After checking for any prospects, more detail work must be done to gauge the



amount of ore that exists and the size of the mining that it is intended to do.

In any event, we could say that, in Mozambique at the present time, with the current degree of knowledge, we know of the presence of large volumes of coal. The coal reserves stand between 7 and 14 billion tons. Without a shadow of doubt, coal is the most abundant mineral in the country and it is high quality coal. It is a metallurgical coal that is used in steel production. It was on coal that we did most of the geological work; this enables us to have a certain amount of assurance of the quality and quantity of the existing coal. That coal is located mainly in Tete Province, in Moatize, in Mucanhavusi and in the regions adjoining Moatize.

In addition to coal, Mozambique has large pegmatite reserves for producing rare metals, such as tantalum and niobium. It also has heavy minerals in the coastal areas from Zambezia to Nampula (Micaunde, in Zambezia, and Angoche, in Nampula). There is production of titanium and zircon, which are another type of metal. There are also major gold finds in the provinces of Manica, Tete and Zambezia, and to some extent in Cabo Delgado. When I mention gold I am not talking about volumes that exist in South Africa and even Zimbabwe, although it could become important, but never in the dimensions of those countries. In any event, there are sizable gold deposits in the country. There are large volumes of marble in Cabo Delgado, as well as Tete Province; there are also large amounts of black granite, and fluorite in Sofala and Tete; and there are apatites in Nampula Province, for making phosphated fertilizers. Another major deposit is natural gas, which is an important energy resource; and not only that, but also an important raw material for the basic chemical industry. These are what occur to me now, and they are the most important.

#### Cost of Research Is High

[Question] What is the foreign investment, and what are the prospects for procuring more, in the geological research field?

[Answer] Geological research is burdensome and the state is not always in a position to withstand those investments, especially in the hydrocarbons area. Large sums of money are spent on oil research and there are not always guarantees of discovering oil.

Much of the oil research is being done in Cabo Delgado and the mouth of the Zambeze, with American companies, and here in the south, with a British firm, BP. And we are also discussing several petroleum research contracts. All the research is done at the expense and risk of those companies. This means that the state does not spend money on that research.

As for the solid minerals, most of the geological research has been done at the state's expense, using various methods for procuring financing; and it

is the state which is conducting that research. In awhile, we are going to change that policy in the area of mobilizing foreign investments. Also in the field of solid minerals, we intend to invite several companies to make investments at their own expense and risk, so that we may increase the geological information further still. It is for this reason that we are preparing the Law on Mines, which will authorize and allow for the access of private capital to geological research and the development of the mining industry in Mozambique. Obviously, some strategic zones will be reserved for state undertakings, as may possibly occur in Moatize, where we are going to build a major state complex. But in the other areas, particularly for the development of some of those ores that I mentioned, gold, fluorite and titanium production in the coastal zone, we are already holding discussions with certain private firms for making investments based on private capital.

[Question] Mr Minister, you mentioned the Law on Mines. Is it now in an advanced phase of preparation, will it be issued soon or is it still awaiting a preliminary study?

[Answer] It is in an advanced phase, because it is a bill which was begun some years ago and we expect to be able to publish it as early as this year. Since it is a law, it must be approved in the People's Assembly or else by the Standing Commission of the People's Assembly; and it will depend largely on the possibility of its being analyzed by the various organs that have to discuss and pass this law.

#### Utilizing Existing Information

[Question] Mr Minister, major mineral discoveries in the world, for example, that of gold, have been made by individuals or small groups of persons. At least that is what history has told us. What possibilities are there of the opening of the mineral resources sector to small-scale or family industry in the future?

[Answer] It is a fact that, historically, we who have a certain amount of historical curiosity and who love films have sometimes seen great gold rushes made in the United States, in California and Texas, in which a prospector appeared with his mule and pickax. He was searching for gold lodes.

This is a problem that exists in Mozambique, managing to publicize among certain workers the art of prospecting, so that they may go to the field with their pickaxes and hammers and find some geological findings which, after they have been investigated more systematically, could tell us the economic importance of such an event. This would widen the extent of the geological information in the country. And we have been trying to do this. Furthermore, we have been attempting to legalize the status of small-scale production. In some parts of the country, many peasants have the tradition of picking up gold in the river beds. Up until now, that had been banned, and it is our idea to legalize, to award a mining permit to those peasants and have their production collected. This is very important, particularly

for the production of precious and semiprecious gems. Often the gem deposits are extremely small and it is impossible for a commercial type of organization to extract them. Hence, it has become necessary to create a small cooperative, a small private business, or else a family type of production. This could be done in several sections of the country for gold production and for the production of precious gems and other ores. But the Law on Mines itself will deal with this, and we shall organize it.

It is very important for our country, because our population in the southern and central regions has a strong mining tradition, and many have worked in South Africa and Zimbabwe; and they could quickly adapt to this type of activity, with benefits for themselves and for the country.

#### Creating Security Measures to Prevent Thefts

[Question] There has been a great deal of talk about thefts and diversions of semiprecious gems. Are there any grounds for this conjecture?

[Answer] There are, and in the country's present state of need thefts are more or less widespread. Not only gems are being stolen. There has been stealing in several areas. But perhaps the theft rate and not only it but that of smuggling as well, is greater in the case of gems, because it is far more difficult to carry a bag of corn, when half a kilogram of gems would suffice to accrue the same price. That half a kilogram of gems could be quickly and easily transported to neighboring countries, particularly Swaziland, where they could be marketed. We know that the tourmalines from Nampula are often marketed in Swaziland. But several measures have already been adopted and some are about to be adopted. It is an organizational effort which takes time. We are starting here, in Maputo. The sale of gems can only be made now in Interfranca, in foreign exchange, and in the store open to the public we sell only for medicals, and we are gradually restricting access to the production zone for outsiders.

The major problem that exists is that often the gem production is carried out by small farmers who later sell to merchants who can pay the speculative prices; because they carry the gems abroad in order to procure foreign exchange. What we are planning is for ourselves to be the ones to market those gems. We are going to start this in Zambezia and Nampula first. We shall make this exchange of production for necessary products so as to channel all the gem production to the state.

Another measure is among the production enterprises themselves. It is extremely important to create security measures. We think that some mistakes were made in the production units in refusing to introduce inspection. In any mining company which produces precious gems, it is important for the workers to be searched. This is shocking, but there is no other recourse. This is starting to be done in certain units with major production. We must also organize the workers themselves, by means of material incentives, so that they themselves may operate as a kind of inspector of all the activity within the enterprise; so that what is produced in the enterprise will reach the

enterprise here in Maputo and there will be another check here to find out whether what arrived is exactly what is to be exported. It is a process which takes time to accomplish, owing to the shortage of cadres and, in particular, the lack of experience. But this is being done.

To confirm what I have said, there have been diversions, there has been theft and there has been smuggling; and we are trying to combat them.

#### Oil, First Drilling This Year

[Question] You mentioned the advanced state of oil prospecting in the country. People are wondering and discussing "when will the first drilling, the first extraction of oil take place in Mozambique?"

[Answer] At the present time, it is more legitimate for us to discuss the first drilling. It is a slight exaggeration for us to talk about the first oil extraction. It is worthwhile noting that, during the period preceding independence, 59 drillings were made, 12 offshore and the rest onshore.

As a result of that work, the only thing discovered was natural gas, which exists in Inhambane Province. This means that it would not suffice to drill in order to be certain of the discovery of oil.

We think that the first drilling will be made as early as this year. It is important for the first drilling to bring important information that will enable the oil companies to continue the work programs and engage in even more ambitious effort that will increase the probability of discovering oil. We know that Mozambique is an area with natural gas and we think that it has large amounts. The great unknown to be learned is whether there is oil, where it is and whether it is necessary for the drilling that is done to occur on that reservoir, so as to be able to extract oil. This will take several years. Oil extraction is not something immediate; it can never occur before 4 or 5 years, that is, if we are lucky enough to discover oil.

[Question] You gave a rather lengthy account of the activity in the mineral resources sector. I would like to ask what the prospects are for the sector that you head?

[Answer] When the Indicative Prospecting Plan (PPI) was prepared, and it is still a valid document in our country, it was stipulated that mineral resources would account for 50 percent of Mozambique's exports. The PPI was prepared in 1981, and insofar as mineral resources are concerned, we can now say that, under normal conditions, that plan is not only practicable but could be exceeded.

We are confident that, during the next 10 years, mineral resources will constitute the main source of foreign exchange for the country. Coal will play a major role in this, with 50 percent of our mineral resources in terms of exports. In addition to this, within 10 years Mozambique may become one of

largest exporters of tantalum in the world, followed later by titanium, fluorite, graphite (we have large volumes of graphite in Cabo Delgado), gold and precious gems.

[Question] Are experiments with coal liquefaction being considered?

[Answer] We are not considering it because coal liquefaction (and there are new technologies now) costs billions of dollars. When we talk about large and small projects, something that we must avoid is discussing projects that are not practicable. And, at the present time, coal liquefaction is not practicable, because it represents an extremely large investment. Before we arrive at coal liquefaction, we must first undertake natural gas liquefaction, in order to procure diesel and gasoline. Even this project is extremely burdensome, and we are considering this, because it would mean building castles in the air without a secure foundation.

We already have a major program, namely, that of coal, involving about \$700 million. We think that, actually, this major project, being executed with many small projects from one day to the next, will nearly deplete our capacity entirely. We intend first to get the coal project in operation, and at that time we shall consider another major project, which may be the one for natural gas, before the coal liquefaction.

2909

CSO: 3442/354

MOZAMBIQUE

FAO PROJECTS TAKE SHAPE

Maputo NOTICIAS in Portuguese 5 Jul 85 p 8

[Text] The Italian Government, through the United Nations Food and Agriculture Organization (FAO), has given Mozambique 20 trucks to be sent to Gaza and Maputo Provinces. This organization of the United Nations system is, moreover, aiding irrigation programs, especially in Chokwe. Meanwhile, talks are under way with the Mozambican Government to prepare a new cooperation program with the FAO, a process which will conclude in October.

The 20 trucks now given to our country will be used to help transport food products in the interior sections of Maputo and Gaza Provinces. Their value has been estimated at \$900,000.

The FAO has, furthermore, selected 15 agricultural rehabilitation projects to be executed in Mozambique, at a cost of over \$8 million. They are part of a group of programs to create means and resources that will enable our country to solve a series of problems stemming from the famine situation, because many of the projects will be carried out in the regions most critically stricken by the natural disasters.

Intensifying Agrarian Training

Information provided to NOTICIAS by the FAO representative in Mozambique, Andre Odeurs, indicates, in addition, that his organization is assisting our country with a program relating to the Maputo Agrarian Training Center, an activity that will be extended to other parts of the country.

The training of Mozambican cadres for the agrarian sector has assumed particular significance in the development of agricultural programs, and will also allow for a better exchange of information on topics related to farm crops and rural development programs.

The Government of Spain, for example, will finance through the FAO a program for training irrigation advisers in an activity primarily aimed at giving an impetus to the process of training Mozambican cadres for the agrarian sector.

On the other hand, in the Chokwe region of Gaza Province, a program will be carried out to back irrigation, consisting, among other things, of the

training of farmers in the proper use of water, so as to improve the production of food.

Andre Odeurs said: "This is an extremely important and essential program for the development of food production. Mozambique is a country with considerable resources and potential. The fundamental basis of the program is to give the farmers a series of instructions on the process of using water for irrigation purposes and on avoiding problems of water salinity."

The United Nations Food and Agriculture Organization has been calling the attention of its donors to increasing assistance for at least 20 African countries, including Mozambique, which feel threatened by famine as a result of drought. It has procured for our country funds to finance a group of projects and has decided on other agricultural rehabilitation programs, especially in the areas of seed production, small irrigation systems, fishing, the training of cadres and rural development activities.

For example, seed production is essential for increased agricultural production capacities. Our country would need at least \$9 million for this program. Certain types of seed have been identified, such as the "Kalahari" corn, peanut and bean seeds. The "Kalahari" corn (suitable for this part of Africa) is now being produced in only a few sections of southern Africa, such as Botswana and Lesotho, countries which are also facing the tragedy of famine.

Meanwhile, the United Nations Food and Agriculture Organization is rendering assistance to the fishing area. It is participating in programs for the training of cadres for the sector and for the quality control of shrimp, in the city of Beira.

With a population of about 13 million, most of whom are residents of rural areas, Mozambique would produce, in normal times, nearly 500,000 tons of grain in almost all of its vast arable region from north to south, which totals nearly 800,000 square kilometers, as the FAO has disclosed.

While the weather conditions continue to be positive, and with prospects this year of showing some favorable results, more than 2.5 million people are tragically facing the famine situation.

2909

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29 August 1985

## MOZAMBIQUE

## FINANCING FOR DEVELOPMENT PROJECTS IN NIASSA INCREASES

Maputo NOTICIAS in Portuguese 9 Jul 85 p 1

[Text] Since the proclamation of our national independence, the bank financing for agricultural, industrial and commercial development projects in Niassa Province has increased by over 3,000 percent.

The provincial director of finances for Niassa, who disclosed this fact, said that, actually, throughout this decade the bank financing for various development projects in the province showed an unprecedented rise, considering the fact that, after independence, new sectors of activity which were non-existent during the colonial period were created in that northern section of the country, such as the state and cooperative agrarian sectors.

That official remarked: "During colonial times, the credit was directed and granted to protect the interests of the oppressors, for exploiting and looting our resources and for financing the colonists. Today, however, we can claim that the bank financing is directed toward the country's socioeconomic development; and, in Niassa Province, it has increased by more than 3,000 percent since 1975."

He said that, upon the creation of the People's Development Bank in December 1977, the banking system now covers the entire province, which means that all the district headquarters benefit from services of a BPD branch.

In fact, there are 11 BPD branches in all of Niassa Province, with one subsidiary in Lichinga, two agencies in Cuamba and Marrupa and eight offices in the district headquarters; in addition to which there are also 18 savings banks in operation, scattered all over the province. This makes it possible to shorten the distance between the bank and the depositor, thus responding to the population's requests concerning the plan for territorial banking coverage.

When asked to make a statement on the premature destruction of bank notes, the provincial director of finance for Niassa said that this was due to the population's ignorance of banking customs which, in his words, prompted the central agencies, on 25 September of last year, to start the First National Campaign to Collect Savings. In addition to attracting small savings, the campaign was aimed essentially at accelerated banking education among the people.



He commented: "Although we are far removed from eradicating this major defect, there are nevertheless prospects of a better future."

He cited as an example the fact that, up until 1975, the entire group of banks existing until then in the province had only 650 depositors, whereas now there are over 17,000 citizens turning over their savings in the People's Development Bank.

Francisco Carlos Manuel, who made the assessment of the banking and insurance sector's progress in Niassa throughout this first decade of our independence, also explained that, in the Bank of Mozambique, the number of accounts rose as well, increasing nearly 60 percent since the proclamation of the People's Republic of Mozambique; which is a very valuable contribution to the preservation and appreciation of our currency, the metical.

As for insurance, the provincial director of finance said that over 360 contracts were executed in the EMOSE's Moassa office since its creation in the province during April 1978.

He explained that, along with the contracts concluded by enterprises and organizations in the province, there have been others made individually by citizens residing here.

Regarding the mishaps which occur most frequently in Niassa, Carlos Manuel cited occupational accidents, noting however that, to reduce them, EMOSE has been taking action for prevention and safety, consisting of instructing workers in the use of protective devices.

He also added that, in the case of accidents which cause permanent disability to the victim, EMOSE guarantees those insured by it the payment of a lifetime pension calculated on the basis of the wages.

That official remarked: "In the event of the victim's death, the pension is paid to his legitimate heir."

2909

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MOZAMBIQUE

ZAMBEZIA PROVINCE DECREASES IMPORTED FISH CONSUMPTION

Maputo NOTICIAS in Portuguese 9 Jul 85 p 2

[Text] During the past 6 years, the consumption of imported fish has declined nearly 7 percent in Zambezia Province. In fact, during the 1984 campaign, it dropped from an estimated volume of 27 percent of the total amount of fish imported for the entire country to 20 percent.

This considerable reduction in imported fish consumption resulted from improved utilization of the native fleet's fish catching capacity. In Zambezia, there are two major enterprises catching fish, although their main activity is shrimp catching. Until quite recently, these enterprises (Efripel, with Japanese participation, and the state enterprise, EMOPESCA) controlled 23 vessels.

During the period from 1979 to 1984, the distribution of fish rose from 300 to 1,500 tons, an amount considered to be moderate when such other products as beef, eggs and chicken were on the market. But the rise in the indexes of fish delivered by the two enterprises to PESCOM and in what this enterprise was able to add from the marketing at various stations scattered along the coast caused the supplies per inhabitant to improve significantly.

However, there were situations which assumed importance starting in 1982. One of them was the backing which the enterprises were requested at that time to lend to small-scale fishing, because the need for improving the supply of fish for the population was becoming greater.

Although some measures were introduced, specifically, to provide fishing equipment to other sectors participating in the production process, with a view toward improving the fish supply, some fishermen chose later to sell the fish in the locations that best suited them. It is precisely for this reason that the figures currently reached in distribution are not the most accurate, inasmuch as the system also involves the black market.

Nevertheless, it is known that the value of the merchandise delivered for barter at the fish marketing stations has increased greatly during recent years. At the beginning of this year alone, 2,000 contos were spent on goods for marketing in Sopinho, Gazelas and other marketing stations.

Although the coastal areas of Zambezia Province are benefiting from the fish caught by the enterprises and even by small-scale fishermen, the districts in the interior section of the province, mostly grain producers, still lack the opportunity for a moderate fish supply.

In discussing this issue, the recent meeting of the Province Home Trade Council noted difficulties stemming from the status of the access routes, the cold storage conditions and even the current amount available for distribution in the other districts of the province.

2909

CSO: 3442/350

MOZAMBIQUE

FOOD, MEDICINE ARRIVE IN DROUGHT AREAS

Maputo NOTICIAS in Portuguese 6 Jul 85 p 8

[Text] Last month, emergency consumer goods and medicine sent to the Mozambican people stricken by the natural disasters which had been withheld in the country's leading cities started being removed by air.

Two cargo planes, an "Antonov" of the Air Force and a Boeing-737 from Mozambique Airlines, are in the service of the Department to Prevent and Combat Natural Disasters. For the use of these two aircraft, the DPCCN benefited from a sum of \$450,000 made available by the United Nations Development Program (UNDP).

According to the DPCCN, the air operation began on 12 June, with flights from Maputo to Vilanculo and Inhambane. On the first flight of the day, they shipped aboard the "Antonov" with a 4.5 ton capacity, four drums of diesel oil, 45 bags of powdered milk, 178 cartons of soup and a Land-Rover engine for an EEC project, totaling over 4 tons.

On the return flight, dozens of sick people were evacuated from the stricken areas of Inhambane to the Central Hospital in Maputo.

The Boeing-737, in turn, is operating in the provinces in the central part of the country stricken by drought, Sofala, Manica and Tete, removing the goods held in the port of Beira.

Highway transportation has proven to be ineffective in some areas, for reasons of security on the evacuation routes, owing to the action of the armed bandits.

The use of air transport to remove the emergency goods for the population stricken by drought had been announced during the first week of June by the DPCCN director, Amos Mahanjane. Mahanjane detailed, on that occasion, the difficulties facing the sector in the area of transportation, specifically that of the highway type.

In mid-May, 8,000 tons of various goods were waiting for transportation in the port of Maputo.

2909

CSO: 3442/350

29 August 1985

## MOZAMBIQUE

## CHANGARA FARMERS USE LOWLANDS TO SURMOUNT DROUGHT PROBLEM

Maputo NOTICIAS in Portuguese 10 Jul 85 p 8

[Article by Alfredo Macaringue]

[Text] By farming the lowlands bathed by the Mazoi River, the inhabitants of Changara District, Tete Province, have found the solution to the serious food crisis which they were experiencing. The system of "sweeps" [water-raising devices] has been expanded in these areas, to irrigate the land with river water. "The fact is that today people are no longer dying of starvation," Benjamim Afonso, administrator of the Ntimanga locality, told us, speaking of the current situation in that region.

The use of the sweeps and farming the lowlands has already begun to bear fruit. Soon after the severe food shortage, the residents of Changara organized production cooperatives, without detriment, however, to the family sector. "Thus," said Benjamim Afonso, "it was possible for each cooperative in the Ntimangau locality to harvest, in a first planting, 1 to 2 hectares of dwarf 'mapira,' one of the principal drought-resistant crops."

As in other districts or localities which we visited, the family sector is recording the largest harvests.

Although the drought situation has eased somewhat, it still persists. According to the administrator, "until the rains come, the only recourse is to farm the lowlands."

As he reported to this newspaper, at this time an intensive effort is underway in Ntimangau to mobilize the inhabitants to join agricultural production cooperatives. At the same time, new communal villages are being formed; we note that this locale has 7 settlements with an average of 340 families apiece, for example, the Communal Village of Kapimbe.

## Returning After Drought

Changara District is located about 100 kilometers from the Tete Province capital. Thousands of people died here as a result of the severe famine which occurred in 1983.

Some survivors of that disaster emigrated to neighboring Zimbabwe, seeking better land for subsistence farming.

Today, the situation is noticeably improved, and these individuals are already returning to the country. This is observed particularly in the zones of Cachinanga and Madzicuale.

We learned that every effort is being made to integrate these returnees into existing cooperatives and in others still to be formed, according to the number of arriving residents.

#### Wells in River Beds

It can certainly be said of these people that they are resourceful; we saw them digging a well in a dry river bed to retrieve the water which the families need so badly. We spoke with some of them and they said this was their last resort, because it had not rained for a long time and all the rivers and lakes were dry.

More important, however, is that some regions in Tete Province, such as Magoé District, are already benefiting from wells dug recently as part of a project in progress in the province.

Ntimangau Administrator Benjamin Afonso, who accompanied us during our stay in that area, explained to us near the end of our visit that a small livestock program is to be introduced in the zone; small animals are already being raised there, but not in any very organized way.

"Our idea is to involve, wherever possible, the greatest number of peasants in the cooperatives, because this will enable everyone to discuss ways to improve techniques both in farming and in livestock production," Administrator Afonso said.

#### Send Clothes and Salt

"Certainly no one is dying of starvation now," the administrator added, "but we still have many problems. Above all, we lack clothing for the children and salt, products that we cannot produce on our own, no matter how dedicated we are."

In fact, in Ntimangau and in other districts which we visited, the problem of nakedness is severe. It has become customary for the children to go naked all the time.

They told us that what little clothing is occasionally sent there is not enough to go around.

"So, if it is not too difficult, please convey our appeal for more clothes and salt," recommended the administrator of Ntimangau, Changara District

MOZAMBIQUE

IRRIGATION PROJECT FOR BEIRA'S GREEN ZONES

Maputo NOTICIAS in Portuguese 10 Jul 85 p 2

[Excerpt] About 2,000 hectares of land, taking in the enclave which includes Chota, Macurungo and Estoril districts, in the city of Beira, will soon benefit from a drainage and irrigation program, as part of the general plan to recover and develop the drainage system, within the process of organizing our agriculture, the director of green zones in this city reported to NOTICIAS.

The project, which is now underway with the opening of storm ditches and the organization of farm plots, is already cutting through the arable land in the above-mentioned suburban zones and includes two phases. The first phase involves the control of the water and particularly the drainage, and the second phase will deal only with the irrigation of land which has already been prepared.

According to the director of green zones in Beira, the basic issue is the development of agriculture, a basic condition for which is drainage and irrigation. "To this end, we have this project which will be carried out in tandem with the rehabilitation of the drainage system, in the hope that this action will serve as the prototype for the expansion of our agricultural system," the Beira director of green zones explained.

The agricultural cadre also noted that the proper functioning of the drainage system is basic to the full development of agriculture, particularly in Chota, Macurungo and Estoril districts, where the salt water has been out of control lately and has easily invaded the farm land at high tide.

The director said that in these zones, where rice is the predominant crop, poor production has been observed in recent years as a result of the high salt content of the water which has penetrated the farm plots because the flood gates have been out of commission.

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MOZAMBIQUE

## SMALL-SCALE FARMING IN CHOKWE TO INCREASE PRODUCTION

Maputo NOTICIAS in Portuguese 4 Jul 85 p 8

[Text] The production of the family sector in Chokwe district, in Gaza Province, appears to be a major reserve from which it will soon be possible to extract very sizable amounts of surplus products with a small state investment. There have been some very important features in this sector recently, as a result of the process to restructure the Limpopo Agroindustrial Complex (CAIL). Noteworthy among these features is the distribution of nearly 9,000 hectares of irrigated land among nearly 12,000 farmers. That distribution is being accompanied by a rural extension service (the kind commonly known as recruitment of the family sector).

Each of the Chokwe enterprises (10 agricultural and five livestock, formed in the process of restructuring CAIL) has its own area of influence and has rural extension agents (recruiters) who, during a first phase, had as main functions that of ensuring the material resources and the necessary production factors, particularly in the case of seed, so that the family sector's production could be developed.

The rural extension agents also mobilized the use of animal hauling which is of particular importance in the Chokwe region. According to data provided to our reporter, the district has 49,000 head of cattle, 42,000 of which are in the family sector. Of this supply, there are 8,000 hauling animals, which is equivalent to 4,000 yoke of oxen, with the capacity to plough from 15,000 to 20,000 hectares.

In an interview granted to the newspaper NOTICIAS, the director of the Office of Agrarian Enterprise Coordination in Chokwe, Joao Moeca, commented: "There has been a great mobilization in the animal hauling work, not only through the sale of yokes of oxen to farming families who have not had them up until now, but primarily through the introduction of large volumes of plows for animal hauling. We can claim that since the end of 1983 nearly 2,000 plows for hauling have been sold in this area and the rural extension work has been mobilized. Concurrently, effective measures have been enacted to enable the family sector to start producing vegetables during the second season."



## Improving the Diet and Not Only That....

This measure not only contributed to the improvement of the farmers' nutritional diet but has also started to bring about an increase in the family output, and hence the family sector is participating in the production of vegetables (without investments or direct costs for the state sector), so that there will be greater balance in the production marketed among the different sectors: state, private, family and cooperative.

This experiment will have positive results, because the state is backing the family sector with chemical products to combat diseases, sprayers and techniques improved by the "recruiters," who have usually been directors, and chiefs of brigades and "branch" chiefs who have started working full time with the family sector. At present, those workers are farmers with a greater mastery of certain techniques, and among the family sector they have more developed concepts and ideas of production than the average farmer has.

Joao Mosca remarks: "We cannot say that the work is taking place wonderfully, because there are many difficulties to be surmounted. But it is true that the steps taken are encouraging, and we can say that, with this experience and the enthusiasm that exists among everyone, every sector will produce more in future years."

## New Values Require Greater Attention

There are nearly 20,000 families in Chokwe district, between 16,000 and 17,000 of which are benefiting from irrigatable areas within the perimeter of the irrigation system. Putting a farmer to till the soil with irrigation, alongside another farmer, represents productive changes and very deepseated cultural changes.

The director of the Chokwe enterprises commented: "Now, the farmer is linked with a certain production discipline, he is linked with the matter of irrigation; because the irrigation must be carried out more or less at the same time as on the neighboring farm, to prevent flooding and to allow for better management of the water. It forces the farmer to work beside another one, when in most instances he has an isolated individual farm. It will take more time before the areas which have been distributed among the family sector can really produce with high yields, and with results that will warrant and justify this investment."

The results of this effort are not yet compensatory (but this is not the case only in the family sector), because they depend largely on the rural extension work; so that the sector can produce increasingly more, with better cultivation techniques, and better seed varieties, so that its yields can make up for the investment made by the state in irrigation system construction.

At the present time, from an economic standpoint, each farmer is taking from his own farm the essentials for his food. They have already had positive results that

must be even greater, so that the farmer will be able to market his surplus products.

During the first years after the distribution of irrigated land, the family sector in Chokwe was engaged mainly in corn growing. The raising of this crop, which constitutes the basic food for the vast majority of the Mozambican people, did not bring very notable results because, as our reporter learned on the site, the vast majority of the irrigated land, perhaps as much as 90 percent, is not corn growing land.

#### Corn Growing To Be Abandoned?

Owing to the nature of the soil and the climate, combined with several other factors and, primarily, the corn diseases which are very common in that section of the country, and which can only be solved by introducing large amounts of chemical products and with a great mastery of the cultivation and technology, the growing of corn represents rather high costs.

This means that this crop may gradually be abandoned or at least grown on a smaller scale in that area. For example, this year, only 20 percent of the farmers in the family sector within the irrigation system produced corn.

The director of the Office of Agrarian Enterprise Coordination in Chokwe claimed: "We are absolutely sure that, next year, 90 percent, if not all the farmers, will produce rice. And they will produce rice not because the eating habits have changed from one year to the next, but because they realize that growing rice is more productive for themselves."

In the agricultural campaign now ending, the average rice production in the family sector is estimated at 2 tons per hectare. This volume is more than sufficient to feed an average farming family for a year.

Therefore, at the present time, the rice production in Chokwe has already proven that it is creating a basic food of a safe type, in addition to surpluses for trading for other products needed by the farmer. However, this security is not created by growing corn, the highest yield of which in that area exceeds 1,000 kilograms per hectare, only in unusual cases.

2909

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MOZAMBIQUE

NHARTANDA GREEN ZONE RAISES PRODUCTION TO FEED TETE

Maputo NOTÍCIAS in Portuguese 9 Jul 85 p 8

[Text] The cooperative movement in Nhartanda Valley (Green Zone), in the city of Tete, is growing. In addition to what was possible to observe on the site, we learned that it is now planned to expand from 24 hectares projected for farming to 48 hectares. If the economic yield from this area is totally utilized, the green vegetable production could minimize the problem of food supplies for the city of Tete. Noteworthy is the interest and personal involvement in this undertaking on the part of the governor of Tete Province, Eduardo Arao.

But, after all, what is the Nhartanda Valley, which has already caused so many rivers of ink to flow? It is a production area more or less resembling that of the Green Zones of the city of Maputo. As in the case of Maputo, it is there that the farmers, without shielding themselves from the difficulties, are killing famine with the hoe. At the present time, there are 120 persons toiling there, including young and old, distributed among six agricultural cooperatives.

One of the associations visited by us was the one called "We Are Conquering Hunger." We spoke briefly with the respective head, Teresa David, regarding the first production attained in 1983, the time that the cooperative was founded. She said that, in that year, the production was very low.

As everyone knows, working in the fields is difficult. It becomes even more difficult when one is working with primitive equipment. But this cooperative, perhaps because it is the first, has already taken the first steps to solve this problem. It has now acquired a yoke of oxen which are being trained to make their contribution to the 1985-86 agricultural campaign.

Who Wouldn't Like to Earn His....

Because it was impossible to reach all the cooperatives in Nhartanda, we shall discuss only the "We Are Conquering Hunger," which, as we were told by the farmers themselves, is not much different from the others. Moreover, the governor of the province himself advised us to go and find out about the situation in that cooperative in this Nhartanda Valley. Hence, we did so.

Dispelling the widespread (but erroneous) idea that field work is for old people, the youths living at the bottom of the valley are also taking part in the tasks. One of those appearing in front of us as we were touring the garden plots of this cooperative was David Aleixo, aged 22, who in addition to farm work is also employed in the treasurer's office. It was he who informed us of what they were now earning. The fact is that the wage for each cooperative member has been set at 1,500 meticals per month.

When we asked him how he felt after receiving his first pay, David Aleixo, considered to be very experienced in farming activity, responded thusly: "Who wouldn't like to earn the results of his labor?"

Mention should be made here of the major assistance which the Nhartanda group of production cooperatives has received from the Rural Development Program, consisting of supplies of seed as well as aid in the form of human resources, to introduce more advanced farming techniques.

At present, the valley is producing nearly all types of green vegetables and selling part of that production to some of the restaurants in the city of Tete. However, this is not all, because that production is still inadequate. But it is a fact (and we are certain of this) that, in the not too distant future, Nhartanda will provide food for the entire city of Tete.

Why Nhartanda?

As we mentioned previously, this valley has already made news in the media, especially in the city of Tete, and it is still doing so now. Nevertheless, this is still not proportionate to its growth. As Governor Eduardo Arao explained to us, this is still a project "in an embryonic phase."

He also reminded us that the valley emerged as a means of coping with the serious food crisis (which still persists), caused by the long drought which ravaged the region. This was the reason for making the proposal for using Nhartanda Valley, where reservoirs of water for irrigation were created.

No Pesticides

There is no question that, if the entire valley is utilized, killing famine would be a reality in the city of Tete. And this necessarily entails the use of pesticides, as well, for better yield from the land. However, this cannot occur, because pesticides would pollute the water coming from the valley area to supply the city. This situation is considered "the main bottleneck" in this important agricultural project.

It is under these conditions that the agricultural cooperative movement, aimed essentially at supplying the provincial capital of Tete with green vegetables, is gaining strength and dimensions.

2909

CS0: 3442/351

MOZAMBIQUE

JOINT TOBACCO COMPANY WITH PORTUGAL CREATED

Maputo NOTICIAS in Portuguese 9 Jul 85 p 1

[Text] A joint Mozambican-Portuguese tobacco enterprise will soon start its activities in Mozambique. It is the Commercial Tobacco Enterprise, Ltd, the establishment of which was made official by Almeida Matos, general director of the Light and Food Industry Management Unit, and Pedro Coelho, manager-associate of the Tobacco Enterprise, at a ceremony held yesterday afternoon in Maputo.

Also present at the function were the state secretary of light and food industry, Francisco Caravela, and the Portuguese ambassador to Mozambique, Palouro das Neves.

Speaking at the end of the ceremony, Almeida Matos expressed the view that the creation of the joint enterprise was extremely important to the development of Mozambique's tobacco industry.

Almeida Matos remarked: "The creation of this enterprise is aimed essentially at improving the quality of our cigarettes and introducing them into the international market", stressing that the modern technology which the Portuguese firm has would contribute greatly to giving an impetus to our tobacco industry.

He also noted that the event is occurring in the context of the cooperation which exists between the two countries, guided on a higher level by the respective directors.

In his remarks, Pedro Coelho said that the transfer of technology, as well as the assignment of professionally trained Portuguese cadres, and the experience that his firm has in the tobacco area, will afford the sector considerable development.

In conclusion, Pedro Coelho put his firm at the disposal of Mozambique, for sending cadres to Portugal in order to improve them technically and professionally.

2909  
CSO: 3442/350

MOZAMBIQUE

## RICE MARKETING FIGURES IN CHOKWE

Maputo NOTICIAS in Portuguese 10 Jul 85 p 10

[Text] AGRICOM [Agricultural Products Marketing Company] purchased 5,000 tons of rice from the state sector in the Chokwe District during the 1983/1984 agricultural marketing campaign, Pedro Afonso Matusse, chief of the agricultural marketing sector and of the green zones in the city of Chokwe, reported a few days ago.

The official added that, in the same campaign, AGRICOM purchased 40 tons of corn from the state sector, while the cooperative, family and private sectors sold a total of 95 tons of rice, 49 tons of corn, 20 tons of "mafurra," 11 tons of butter beans and several tons of peanuts, castor beans and "nhemba" beans.

There are limited quantities of some products, such as peanuts, a crop which the chief of the marketing sector said is quite acceptable for various zones in the district; the major factor affecting the poor production in the last campaign was that the seed arrived late. The family sector, which has guaranteed a supply for marketing, had no surplus to trade.

"The 875 kilograms of peanuts which AGRICOM purchased in the last campaign came from the Lionde Seed Company, which is also devoted to peanut production. However, that production was quite limited last year because the planting was out of season," noted Pedro Matusse. He added that, in the next campaign, every effort must be made to plant strictly in season, because production levels depend basically on this factor.

Giving an accounting of the performance in each sector, Pedro Matusse said that the bulk of the products marketed during the past campaign came from the family sector. "I can say that, to date, in our district the family sector has guaranteed a marketable surplus of several crops, because we have focused our attention on the family sector. The cooperative and state sectors must first satisfy the needs of their workers, hence the family sector is predominant in marketing," he stressed.

Regarding the 1984/1985 campaign, the chief of the marketing sector said that, based on the experience of the previous campaign, several permanent trading posts were established in the local areas, operated by some merchants and consumer cooperatives.

In addition, sector brigades, including employees of AGRICOM, held mobilization sessions on the advantages of marketing products locally. According to Pedro Matusse, the sessions were a success, because "just in the first quarter of this year, we have been able to market about 180 tons from the family sector and 190.5 tons of various products."

He noted that this process is ongoing in all the locales in the district, primarily in those areas under the influence of the agricultural companies in Chokwe, since the latter are under greater supervision because they are within the irrigation system.

The official said that corn is not yet being marketed in this campaign. Based on experience in the 1983/1984 campaign, this season is not favorable to corn production since, when it rains, the fields within the irrigation system are flooded. "Hence we decided that, in this agricultural season, all the sectors would only sow rice. Corn would only be planted in the transition period between the cool weather and hot weather seasons," he added.

However, although production was poor because of a problem with rats, AGRICOM is buying corn in the locales of Chiduachine and Chalacuane, zones outside the irrigation system. Moreover, the conditions are being created to send a brigade to the Communal Village of Machua, to purchase peanuts.

"We expect good results from this 1984/1985 marketing campaign, because the crop was much better than in previous years and because AGRICOM has also made efforts to insure a supply of products for barter," said the chief of the marketing sector in the district. He stressed that the people need sugar, salt, soap, petroleum and cloth.

6362

CSO: 3442/349

MOZAMBIQUE

BRIEFS

NHAMATANDA MARKETING SUCCESSES--The agricultural marketing in Nhamatanda, Sofala, which is currently being subjected to a massive movement by the peasants from the centers to the various trading sites in the area, is considered by the local agencies as the best in recent years. According to sources associated with AGRICOM [Agricultural Products Marketing Company], in Nhamatanda, hundreds of families have not spared efforts to seek trading posts which, in some instances, are many kilometers distant, in order to undertake the sale of their surpluses, receiving products in exchange. According to the same source, nearly 180 tons of various products were marketed on the premises of the Nhamatanda district headquarters. There are reports claiming that soap, salt, sugar, capulana [a type of cloth] and batteries are the products most needed by the peasants. It has been reported that the quantities are being depleted, something which might jeopardize the agricultural marketing process in that district. The AGRICOM agent in Nhamatanda claimed that, during the 1984-95 agricultural campaign, the district recorded a good production of grains and oil-seed products, namely, corn, rice and sunflowers. [Text] [Maputo NOTICIAS in Portuguese 21 Jun 85 p 3] 2909

LANDING STRIP BUILT IN MARINGUE--An aircraft runway nearly 2,000 meters long is under construction in Maringue, Sofala Province. This fact was announced by the first secretary and district administrator, during the ceremony for submitting the report of the activities carried out on the occasion of 25 June, at the time of the recent joint meeting of the expanded secretariat of the Provincial Committee, and the executive commission of the Sofala Provincial Assembly and Government. According to the Maringue administrator, the construction work on the aforementioned landing strip is currently at a rather satisfactory level of progress. It is known that at present work is under way on the felling of trees located in the construction area. The administrator also noted that the work in progress is part of a group of activities planned in connection with the weeks commemorating the 10th anniversary of national independence. It is noteworthy that, with the construction of this new airport, Maringue district will have two aircraft runways, counting the old one which is of smaller size. The administrator remarked: "However, we are not standing by idly, and we are immediately starting planned activities based on our own initiative." [Excerpt] [Maputo NOTICIAS in Portuguese 21 Jun 85 p 3] 2909



ENCATEX DISTRIBUTES CLOTHING IN SOUTH--A few days ago, in the city of Maputo, the sale of over 4,000 packages of clothing recently acquired by our country from the United States of America was begun. The sale of the aforementioned clothes is being coordinated by a commission including members of the city OTM [Mozambican Workers Organization], GOAM [Office for the Organization of Provisioning] and the National Footwear and Textile Enterprise (ENCATEX). This information was disclosed to our reporter by the general director of the latter enterprise, Antonio Francisco Munguambe. Clothing items have been sold by commercial establishments, including consumer cooperatives and private stores. Certain enterprises have received sizable amounts of clothing for direct sale to their workers. The sale of large amounts of clothing in the capital took place a few days after the recent visit that President Samora Machel paid to ENCATEX, in connection with the political and organizational offensive. The head of state, scoring some irregularities detected in that state enterprise, ordered on that occasion that the clothing in the 10,000 packages which were imported reach the population before 25 June. Antonio Munguambe began by stating that the clothes currently for sale in the capital are part of a total of 10,000 packages recently distributed among the three provinces in the southern part of the country: Inhambane, Gaza and Maputo. He explained to us: "This clothing is not the kind that is considered 'disaster clothing,' by several individuals. It cost the country money." Antonio Munguambe added: "There is no doubt that we have at times received some volumes of clothing donated by various countries or international organizations." Antonio Munguambe made these comments at our request to clarify assertions claiming that the clothing in packages sold in various locations in the southern part of the country a few days ago was all donated by several countries that have been helping us to minimize the nakedness problems. Also on this subject, he added that the country's annual total textile production is approximately 9 million items of various types, for a population of over 13 million Mozambicans. From the numbers one concludes that the national production is inadequate to meet the consumption needs. He also said that it is planned to purchase more clothing which will be distributed throughout the country before the end of this year. In the current shipment, people are complaining about the lack of shirts, pants and dresses for women and children, items considered as essential by the citizens. [Text] [Maputo NOTICIAS in Portuguese 21 Jun 85 p 3] 2909

SOVIET WARSHIPS VISIT--Since Saturday, a detachment of warships from the Soviet Union has been in Maputo, and is scheduled to remain in our country for 4 days. The detachment consists of the anti-submarine ship "Strogui," and an oil tanker, under the general command of Sea and War Captain Beregovoi N. Nikitovich. According to the general commander, this is an official and friendship visit and in commemoration of our 10th anniversary of national independence. Speaking at a press conference aboard the vessel, an admiral, the sea and war captain, also associated this visit with the intensification of the relations of friendship and solidarity between the USSR and the RPM, established in the treaty of friendship and cooperation signed between the two countries. The commander of the Soviet warship detail expressed his satisfaction with the fruitful development of those relations and hailed the efforts of the Mozambican people to build a new society. On his own personal behalf and that of the Soviet seamen, he also voiced wishes on the occasion of this festive celebration for success in the national reconstruction and the intensification of the RPM's defense capacity. [Text] [Maputo NOTICIAS in Portuguese 24 Jun 85 p 1] 2909

**JORGE REBELO AWARDED MEDAL**--Yesterday, President Samora Machel presented the "Order of Socialist Labor, First Degree," to Jorge Rebelo, secretary of the Central Committee and first secretary of the FRELIMO Party in the City of Maputo. The decoration was awarded by the Permanent Commission of the People's Assembly, on the proposal of the Political Bureau of the FRELIMO Party Central Committee. The "Order of Socialist Labor, First Degree" was awarded to Jorge Rebelo for his excellent direction of the Central Committee for Organization of the Commemoration of the 10th anniversary of independence, an exemplary performance of the task entrusted to him by the FRELIMO Party Central Committee. President Samora Machel said that Jorge Rebelo was primarily responsible for the successful organization of the 10th anniversary celebrations. [Text] [Maputo NOTICIAS in Portuguese 4 Jul 85 p 1] 6362

**VILANCULO FISH FIGURES**--The fishermen in the district of Tilanculo, Inhambane, exceeded by over 17 percent the goal for catching 500 tons of fish stipulated for the first phase of this year. This fact was announced by the provincial head of PESCOM, Vasco Jossefa Mabote. Last year, the fishermen did not attain the established production level for lack of barter products, essentially clothing and footwear. Vasco Mabote said that this year the problem has been solved because a considerable amount of fish supplied Manica and Sofala Provinces in exchange for corn meal. [Text] [Maputo NOTICIAS in Portuguese 9 Jul 85 p 1] 2909

**CULTURE SECRETARY VISITS PARIS**--Luis Bernardo Honwana, state secretary of culture, is currently in Paris, in connection with the marking of the 10th anniversary of Mozambican independence. In an exclusive interview with the ANOP [Portuguese News Agency] correspondent in Paris, the state secretary of culture declared that our government's main concern in the cultural realm is "to preserve the people's culture, a culture which the colonial power always attempted to diminish." According to Honwana, this preservation also entails "an effort for enhancement and promotion, so that a national culture will be achieved." When asked about the cultural cooperation between Portugal and Mozambique, he said that there is an agreement between the two countries which has not yet been ratified by the Lisbon government, owing to minor technical problems yet to be solved. When queried as to whether there is a real desire on Portugal's part to develop the cooperation, Honwana claimed that this desire does exist among the Portuguese leaders. In response to another question from the ANOP correspondent regarding the cooperation between France and Mozambique, Honwana gave a reminder that there is a general agreement between the two countries for cooperation which "calls for cultural cooperation in its terms." However, the state secretary of culture did not preclude the possibility that the development of cultural relations between France and Mozambique would require an agreement in the cultural area. [Text] [Maputo NOTICIAS in Portuguese 8 Jul 85 p 1] 2909

**LEADERS VISIT BANDIT VICTIMS**--A delegation of our country's party and government leaders, led by the member of the Central Committee's Politbureau and interior minister, Oscar Monteiro, and also including the Central Committee member and health minister, Pascoal Mocumbi, visited the infirmaries of the

Maputo Central Hospital yesterday afternoon, where the surviving victims of the recent armed bandit attacks in Maputo Province are confined. On this occasion, the two leaders talked with some of the injured, whom they comforted, wishing them a rapid recovery. This visit is associated with the action decided upon by the party to aid the victims of the armed bandits' murderous rage, including material assistance through the Solidarity Bank. It should be noted that previously the interior minister, Oscar Monteiro, and the chief of staff of the FAM/FPLM General Staff, Sebastiao Marcos Mabote, as well as the governor of Maputo Province, Jose Moiane, visited the site where the attack committed by the armed bandits took place, last Wednesday. [Text] [Maputo NOTICIAS in Portuguese 6 Jul 85 p 1] 2909

JOINT ENTERPRISE WITH SWITZERLAND--The provincial government of Manica recently signed an agreement with a Swiss company to finance a tobacco processing and marketing project, according to a report in DIARIO DE MOCAMBIQUE. That source claims that the agreement, signed in Chimoio, calls for financing to go into effect during the next (1985/86) agricultural campaign, also including the production of corn and the raising of livestock for the province's supply. Under the terms of the agreement, a mixed company will be formed, to be called INTABEC-Mozambique, which will have an initial fund of \$1 million and another \$8 million for operating expenses. [Text] [Maputo NOTICIAS in Portuguese 10 Jul 85 p 2] 2909

IFAD DONATION--Niassa Province has received nearly 2.5 tons of vegetable seed, part of a donation made to our country by IFAD, the International Fund for Agricultural Development. The seed will be given timely distribution to the cooperative, private and family sectors, according to a source at the Boror Agency, in Lichinga. The same source claimed that another portion of the IFAD donation, consisting of various amounts of medicines and veterinary equipment, will be distributed to those three agricultural sectors in Niassa. Meanwhile, Italy has just donated, also to Niassa Province, nearly 500 kilograms of vegetable seed, which has already been distributed among the cooperative, private and family sectors. [Text] [Maputo NOTICIAS in Portuguese 9 Jul 85 p 3] 2909

CIDAC HEAD VISITS COUNTRY--Agostinho Jardim Goncalves, head of the information department and member of the cooperation department of the Amilcar Cabral Information and Documentation Center (CIDAC), has been in Mozambique for a few days to contact the sectors of national life with which there are mutual development projects. CIDAC is a non-governmental Portuguese organization which maintains relations and projects for development with the five former Portuguese colonies in Africa, namely, Angola, Mozambique, Cape Verde, Guinea-Bissau and Sao Tome and Principe. The center has been aiding these countries in various ways since the time of their liberation struggles, and this assistance has been even more intensive and real during the past 10 years, with the inclusion of other areas of relations and cooperation. Describing his visit to our country, Agostinho Goncalves claimed that it was based on three key points, namely: the reaffirmation of the friendship and solidarity between CIDAC and Mozambique, a determination of the extent of the state of cooperation and

solidarity that has existed to date and the search for more channels and areas whereby this relationship could make its presence felt more intensely. It is noteworthy that, up until the present, CIDAC has backed cooperation projects with our country in various fields, such as health, education, green zones, information and fishing. More details on the relations existing between CIDAC and our country, as well as on the work of the center itself, will be published in the coming issues of the weekly DOMONGOS, in an interview granted to this news organ. [Text] [Maputo NOTICIAS in Portuguese 10 Jul 85 p 2] 2909

**WATER OFFICIAL VISITS BRITAIN--**Rui Gonzales, secretary of state for agricultural hydraulics, recently visited England, more precisely, the central region of Stoneleigh, the site of Britain's principal agricultural exposition, the Royal Show. According to a press release from the British Embassy in Maputo, the visit was at the invitation of the Foreign and Commonwealth Office (Foreign Ministry); Rui Gonzalez had voiced particular interest in the areas of irrigation and drainage. "Although we have plenty of rivers in Mozambique," the source quoted Rui Gonzalez, "we have problems with irregular rainfall and we have no assurance that the rain will fall where it is needed. Particularly for our rice production, it is vital that we have an adequate and secure water supply. We are looking for advanced irrigation techniques and I am convinced that the new methods will benefit agriculture in my country." The Royal Show is one of the largest agricultural expositions in the world. More than 1,300 exhibitors, representing most of the farm machinery equipment manufacturers in Britain and Europe, as well as research organizations and other firms involved with agriculture, have pavillions at the Stoneleigh grounds, the permanent headquarters of the National Agricultural Center. [Text] [Maputo NOTICIAS in Portuguese 10 Jul 85 p 2] 6362

**FARMERS BUILD LANDING STRIP--**The peasants in the locale of Save, Machaze District, in Manica Province, recently built a landing strip for small planes in honor of the 10th anniversary of national independence. As part of the same commemoration, they also opened a road which links the local seat to Chicualacuala, in Gaza Province, to permit the distribution and receipt of food products. According to Paulino Paquete, the local administrator, the peasants of Save have also opened a center for literacy and adult education. [Text] [Maputo NOTICIAS in Portuguese 10 Jul 85 p 2] 6362

**MILITARY VOLUNTEER AS TEACHERS--**Soldiers stationed in the locale of Save, Machaze District, in Manica Province, taught classes in the local primary schools to make up for the shortage of teachers which was observed until mid-April, when a group of instructors reached this zone. According to Save Administrator Paulino Paquete, the soldiers were not paid for this teaching, which they offered in their free time. In the health sector, we note the return of the only medical aide in the area, who had been attending a training course in the City of Chimoio. The immediate activity to be launched by the Health Ministry structures in that area of the country is the Expanded Vaccination Program for peasants recently liberated from the armed bandits. [Text] [Maputo NOTICIAS in Portuguese 10 Jul 85 p 2] 6362

LOCAL FISHERMEN RESIST COOP--Residents of the Maringanha Unit, in Eduardo Mondlane District of the city of Pemba, Cabo Delgado Province, engage in fishing on the local coast, using privately owned boats, with nets and individual fishing lines. Despite mobilization efforts, the some 1,000 inhabitants continue to resist forming a fishing cooperative. According to Chabani Siragi, chairman of the district, the fish is sold in the coastal area to individuals who go there to make their purchases because the district has no sales post. He also explained that the local executive council set the price of fish at 50 meticals per kilogram, to control sales and to combat speculation in fish, but the price regulation is not observed. The fishermen are charging 100 meticals for five fish. The district had plans to open a fishing cooperative, but was thwarted because the fishermen still do not understand the need for collective labor. Chabani Siragi said: "Even with all the efforts and clarification by the local structures, the fishermen are still obstinate." The Maringanha Unit has 879 residents, distributed over 6 sections which are served by 3 wells and a spring. It has a primary school with 350 pupils, from kindergarten to the fourth grade, and 3 teachers. According to our local correspondent, Maringanha has problems with the lack of a health post; patients are treated at the Pemba hospital. The residents of Maringanha Unit do not farm because of the poor soil and climate. They engage in fishing and receive food from the distribution [system] or from individuals who barter produce for fish. [Text] [Maputo NOTICIAS in Portuguese 8 Jul 85 p 2] 6362

CS0: 3442/352

NIGERIA

EDITORIAL DECRIES TRAORE'S UNLIMITED REELECTION LAWS

Lagos DAILY TIMES in English 6 Jul 85 p 3

[Editorial]

[Text]

**R**ECENTLY, Mali's President, General Moussa Traore was sworn-in for a second six-year term after his re-election in the national polls at which he, as sole presidential candidate, garnered a whopping 99.92 per cent of the votes. Fair enough.

What is disturbing, however, is that the congress of Mali's sole political party, the Malian People's Democratic Union (UDPM), of which General Traore is the leader, has resolved that Traore should be allowed unlimited re-election as long as he remains the party leader.

This resolution, no doubt, runs counter to Mali's 1979 Constitution which allows for only two terms of six years each. In other words, Traore's party is goading him on, and probably with his connivance, to violate an important provision of the country's constitution.

Yet, what is about to happen in Mali is only a common feature of many African states and parts of the Third World. Once in power, African leaders are most reluctant to quit. They therefore, subtly manipulate the constitution in order to remain in office. This unfortunate political practice gives the sad but largely true impression that most African leaders have no respect for the constitutions of their countries.

A country's constitution is the expression of its collective will. It takes

years, material and intellectual resources to produce one. It is aimed at providing checks and balances for the smooth, efficient and guided running of the society. And for anyone or group to therefore try to bend it to satisfy the caprices of an individual, is a sad thing, indeed. The danger lies in the fact that if the country's highest body of laws is not respected, not the least by its leaders, lesser laws which issue forth from it will surely suffer the same, if not, worse fate. Society will surely be the ultimate loser for that.

The philosophy that limits a ruler's terms to two can hardly be faulted. It rests on the realisation that no man is indispensable in any polity as he cannot, of course, have a monopoly of talents to steer the ship of state all alone.

But what the Malian party and, perhaps, Traore himself are bent on doing is to give the impression that Traore, who has already ruled Mali for 17 years, is indispensable. This is debatable. This African country may not collapse if Traore is not in control.

What is sadly ignored by many an African leader is that constitutional manipulation to enable an individual to remain in office only provides fertile grounds for coups as there exists no alternative of effecting change. It is not too late for the Malian president to come to an accommodation with this reality. If he does, then he wouldn't stay a day longer at the end of his present term. This way, the Malian constitution he swore to uphold can be saved a dangerous subversion.

NIGERIA

## BABANGIDA STRESSES TRADITIONAL DEFENSE ROLE OF ARMY

Kaduna NEW NIGERIAN in English 6 Jul 85 p 9

[Article by Olu Adebayo]

[Text]

THE Nation might be taking an unwarranted security risk by involving the army in any other role than national defence Chief of Army Staff, Major-General Ibrahim Babangida, has said.

He told panelists on the NTA current affairs programme "The Platform" on Tuesday, that he personally did not support diverting the army from its traditional role because it might create war time problems.

General Babangida who disagreed with an argument that the army be involved in peace time activities like agriculture, pointed out that "if you want peace, you must prepare for war, and if you want to do that it must be through constant and continuous training."

He further argued that any effort to divert the attention of the army might result in the long run effect that "when the problem arises, you may not have a very efficient army."

General Babangida said that the combat readiness, patriotism and discipline of the Nigerian Army was never in doubt and that joint military exercise by all the services like the "operation seadog" would be carried out on a continuous basis.

He said however that training was being provided for those leaving the force in the various fields including agriculture in order to make them useful members of the society.

On the strength of the army, Gen. Babangida said that this

had gone down by about 50 per cent since the end of the civil war and pointed out however that there was a limit to how far the army could be reduced in order not to undercut the country's defence requirements.

He said also that the process had been slow because the government did not wish to throw people on the streets to further aggravate the social problems that we now have.

On the problem of checking religious uprising in the country General Babangida gave an assurance that government was doing everything possible to rectify the short-comings in the nation's security system, this he hoped, would result in better intelligence gathering so that such uprisings could be prevented.

He also observed that the army could have been better placed to effectively assist the police in checking the menace of high way robbery but for its sporadic and unpredictable nature.

On weapon's acquisition, General Babangida said that the present administration was paying adequate attention to the growth of the Defence Industries Corporation requirements, in order to meet the required percentage of the country's defence needs.

He said also that foreign procurement was being standardised in order to prevent our civil war experience when the country almost fell victim to the political machinations of some foreign powers.



NIGERIA

## MILITARY CRASHES CONTINUE

### Helicopter Crashes Near Ibadan

Lagos DAILY TIMES in English 19 Jul 85 p 1

[Text]

**A** NIGERIAN military helicopter crashed into the River Benue last Tuesday. It was three days after a Jaguar jet fighter crashed at Ikereku/Iwere Village near Ibadan in Oyo State.

Reliable sources said that one of the two passengers of the helicopter was rescued by a fisherman, Mr. Andrew Iyiyon of Ijoya Village, near Makurdi.

Mr. Iyiyon took the rescued military officer to the Township Police Station, Makurdi at 6.25 p.m. on Tuesday from where he was rushed to the Nigerian Air Force base for medical

treatment.

The source said that up till last night a rescue team led by Flight Lt. Madi had not traced the crashed helicopter and its other occupant.

Meanwhile, airforce officers and the Marine Police have continued to search for the helicopter and its other occupant.

The mission of the helicopter before it crashed was not immediately known.

When contacted, the state police public relations officer, Mr. Michael Nwosisi, declined comments.

### Trainer Crashes in Kagara

Lagos DAILY TIMES in English 19 Jul 85 p 1

[Text]

**A** military trainer plane on Wednesday crash-landed in Kagara Town Niger State.

Reports from Minna yesterday indicated that the plane nose-dived on the premises of the Government Science College, Kagara, while on a routine flight.

The pilot escaped with some minor injuries but the plane was said to have been seriously damaged.

The pilot who was the only one aboard refused to speak to anxious enquirers.

## Military Crash Publications Criticized

Lagos SUNDAY TIMES in English 21 Jul 85 p 1

[Text]

THE Air Officer Commanding (AOC) Tactical Air Command (TAC), Makurdi, Benue State, Commodore Bayo Lawal, has criticised the publication of military accidents in the country's mass media.

Commodore Lawal told a press conference in Makurdi yesterday that it was unpatriotic for the nation's mass media to publish stories on military accident especially those involving military aircraft without clearance from the Ministry of Defence or the Service Area concerned.

He emphasised that the NTA News report involving

the NAF Jaguar plane which crashed near Ibadan had done incalculable damage to the image of the Nigerian Air Force.

The AOC pointed out that accidents involving military aircraft were commonplace in advanced countries like United States, United Kingdom and USSR but added that these countries mass media never made them front page news.

Air Commodore Lawal said that journalists as partners in progress with the government should safeguard the interest of the country at all time.

CSO: 3400/823

29 August 1985

SOUTH AFRICA

## FRENCH ATTITUDES, CRITICISMS OF GOVERNMENT SCORED

Johannesburg BUSINESS DAY in English 29 Jul 85 p 6

[Article by Robin Friedland: "France and South Africa: "The Gall of It!"]

[Text]

**S**OUTH AFRICA cannot easily escape the censure which French socialists (democrats to the core) have addressed on the subject of apartheid. In terms of Western humanitarian and liberal principles, those objections are well-founded. Institutionalised race discrimination is irreconcilable with those principles and will become increasingly difficult to maintain locally as time goes on, both for moral and for practical political reasons. And this much is admitted by verligte nationalists themselves.

But this is not the end of the matter. It is naive to suppose that South African society can be restructured overnight, without regard to minority interests, unless we are prepared to tumble into the political and economic abyss which has engulfed so many Black states in the continent. Here the French action becomes rather naive, through failing to take account of white South Africa's legitimate requirement for a "soft landing".

And French attitudes become even more hollow when juxtaposed to the repressive action taken in two of France's remaining minor colonies — Guadeloupe and New Caledonia.

In this ironical context, a Left of centre French government has solemnly withdrawn its ambassador from Pretoria and decreed that no more investment will be allowed in South Africa. This posturing as "born-again" anti-colonialists is all very well for the group of elegantly-dressed politicians sitting at the Elysee Palace in the year of grace 1985.

**B**ut those elegantly-dressed politicians have managed — very conveniently — to forget the bad grace with which the French withdrew from their own colonial possessions, a process of retreat which culminated in the agony of the Algerian war of independence.

Let us go back to the year 1946, when the French attempted to reassert their authority in the Indochinese portion of their vast colonial empire straddling three continents. And let us not forget, either, that the French had grabbed that empire really out of envy of the British and in outrageous defiance of their own principles of liberty, equality and fraternity.

The French attempt to hold on to Indochina in the face of militant Vietnamese nationalism contrasted with the latter-day realism which induced the British to surrender *their* vast Asian possessions, including India.

That attempt ended in military debacle and humiliating expulsion from Indochina. What was worse, France's obstinacy over Indochina led indirectly to America's involvement — a commitment which resulted in further military humiliation and a disaster for the Western alliance as a whole.

In Sub-Saharan Africa, an early independence movement in Madagascar was suppressed with much bloodshed. In the Middle East, the French conceded independence to Syria with equal reluctance. Their carving to retain a foothold induced them to carve the

statelet of Lebanon out of the original mandated territory of Syria, sowing the seeds of the tragedy only now maturing in that small, unhappy country.

In North Africa, the greatest trouble was yet to grow out of French reluctance to recognise the claims of local nationalism. After what proved to be no more than preliminary skirmishes, Morocco and Tunisia were given independence, so setting the stage for the Algerian horrors yet to come.

Algeria — with some 1 300 000 French-speaking settlers of European origin coexisting with eight or nine million Muslims — was formally a part of France. Yet there was no effective political, social or economic equality between *colons* and Muslims. Curiously enough, all French parties — including the Socialists and Communists — were equally determined to hold on to Algeria, including the great naval base at Oran. "*Algerie Francaise*" went the ever-repeated slogan.

When France was liberated in 1945, the Algerians — logically enough — wanted liberation for themselves, too. Many of them had fought with General de Gaulle, some attaining high rank in the Free French Army. A rebellion broke out, was quickly suppressed, then burst out again in real earnest in 1954.

Before the conflict ground to its eventual tragic and agonising conclusion in 1962, the whole body politic of France was to be convulsed. The French Fourth Republic re-established in 1945 on the ruins of the Third was overthrown by military coup in 1958. The rebellious generals thought De Gaulle was their man, and he was brought back to head a Fifth Republic.

A cycle of atrocity and counter-atrocity set in in Algeria. In the end the metropolitan French tired of the casualties, the moral corruption inevitably involved in the repression of the revolt, the condemnation of world opinion and the financial cost.

After the failure of a second military coup — this time directed against De Gaulle himself — France conceded independence to a Muslim Algeria. It had taken seven years and heavy loss of life on both sides (the Algerians claim they suffered a million dead) to batter to pieces France's political pretensions in North Africa.

**T**he act of withdrawal brought utter disaster to the French Algerians. Having thoroughly antagonised the Muslims through their support for indiscriminate reprisals during the rebellion, they feared for their very lives after independence in 1962. Almost to a man, they fled by ship across the Mediterranean to France, abandoning farm, home, shop and factory alike. It was, as one contemporary journalist wrote, the choice between "the coffin and the suitcase".

(It may be mentioned in passing that one of De Gaulle's earliest acts, when the generals brought him back to power, was to grant independence in one sweeping stroke of the pen to all of France's possessions in sub-Saharan Africa, including Madagascar. This was relatively easy to accomplish, because these territories contained no significant settler populations).

What is the relevance of French post-war colonial history — in particular, Algeria — to France's current attitude to South Africa? This question may be answered very simply.

France resisted — for nearly eight years — the surrender of a bloc of territory in which no more than 3% of the total French population lived. It did so partly for reasons of sentiment, believing that French status in the world was largely bound up with holding on to the parts of the southern shore of the Mediterranean.

**B**ut at least of equal importance was the legitimate and understandable fear of the French settlers that committing their future to the whims and even vengeance of an overwhelming Muslim majority might put at risk everything that had been built up in Algeria since 1830 (the year of the French occupation).

Now, a born-again France tells white South Africa, if only by implication, that it must put at risk not a mere 3% of its total population (which the French were so reluctant to do in Algeria), but 100% of its population.

White South Africans — with the exception of some diehards on the far Right — know full well that expression must be given to the political needs of its black citizens. But white South Africa is entitled — in the total context of post-war decolonisa-

tion (including the Algerian experience) — to insist on proceeding at deliberate speed and with full attention to the protection of minorities. In a word, we are asking that the Western world allows us the privilege of attempting to achieve a "soft landing" in the process of decolonisation.

In the light of their own bitter experience with decolonisation — to which the Socialists were party in office during the days of the Fourth Republic — the French would do well to moderate the self-righteous tone of their current criticisms.

CSO: 3400/864

SOUTH AFRICA

BRITISH, WEST GERMAN STAND ON SANCTIONS HAILED

Johannesburg BUSINESS DAY in English 30 Jul 85 p 6

[Editorial]

[Text]

**T**WO of this country's major trading partners, Britain and West Germany, have wisely rejected the type of economic and diplomatic action taken by France last week. So it is unlikely that in the immediate future there will be any disruption of trading patterns or erosion of the trade surplus.

The American stance on disinvestment remains problematical. The US House of Representatives and the Senate will soon compromise on their different disinvestment bills. Observers are sure Congress will go for the softer Senate bill as a minimum package and that it could pass through both houses with a majority of two-thirds and achieve a presidential endorsement.

The US might then be hard put to veto a similar package in the Security Council, leaving only Britain to block it. That appears to be the worst case.

There is little that can be done diplomatically now to alter that situation.

All that government can do to improve our tattered image abroad is to begin Foreign Minister Pik Botha's "trek into the unknown" and move rapidly towards a political future acceptable to all reasonable South Africans.

The diplomatic battle has now to be fought and won at home.

CSO: 3400/864

SOUTH AFRICA

SURVEY SAYS NP WOULD WIN NATIONAL POLL

Johannesburg THE CITIZEN in English 29 Jul 85 p 12

[Text]

THE National Party (NP) would win a general election held tomorrow, according to a poll commissioned by the Afrikaans Sunday newspaper, Rapport.

The poll, conducted by Mark- en Meningsopnames (Edms) Beperk, found that the NP would win 48,3 percent of the vote, the PFP 18,4 percent, the Conservative Party 15,2 percent, the New Republic Party 2,9 percent and the HNP 2,2 percent. There would be a 12,9 percent stay-away.

The survey found that the Nats' support had increased slightly after a sharp decline earlier this year.

At the beginning of the year (prior to the drastic petrol price increase) the Nats enjoyed 51,7 percent of the vote, but this dropped to 46,7 percent in April.

Conservative Party support increased from 13,2 percent in April to 15,2 percent in June; while the PFP's support decreased from 19,2 percent to 18,4 percent.

The poll found that the increased support for the NP and the CP can be attributed to the fact that the stay-away vote has decreased from 15,4 percent to 12,9 percent.

The NP has increased its support among both English and Afrikaans speaking voters. the NP now enjoys 57,2 percent support from Afrikaners and 33,1 percent support from English voters.

CSO: 3400/818

SOUTH AFRICA

EDITORS TOLD TO SCALE DOWN COVERAGE OF UNREST

East London DAILY DISPATCH in English 24 Jul 85 p 10

/Text/

JOHANNESBURG — The Commissioner of Police, General Johan Coetzee, told editors at a meeting at the South African Police Training College, in Pretoria on Monday that he had been told by the highest authority in the land that news on the unrest must be scaled down.

A clause in the state of emergency regulations gives the Commissioner of Police, or any person acting on his authority power to issue orders relating to the control, regulation or prohibition of the announcement, dissemination, distribution, taking or sending of any comment or news in connection with the regulations.

Gen Coetzee said, however, he had not imposed this regulation and hoped he would not have to do so. It was the role of a free press he said, to identify real matters — even in the state of emergency — which should be brought to light.

Gen Coetzee said, however, that too many journalists were covering aspects of unrest,

sometimes as many as 30 from particular publications. This resulted in the police being presented with a flood of allegations which the force did not have the manpower to investigate. He proposed that each newspaper nominate one or two representatives to cover the unrest situation.

He said the SAP would issue two or three situation reports daily and would in future include a list of names of all those arrested during the period to prevent "allegations that people are being held incommunicado or are disappearing from the street".

A central security monitoring committee would continue, as it had in the past, to monitor all reports, he said.

Gen Coetzee said he had a file of at least 30 articles which had appeared over the last three weeks which could be taken up before the Media Council.

"But let us turn over a new leaf and forget these 30 articles," he said.

Individual newspapers were still free to conduct their own investigations into matters but, he emphasised, should exercise caution in this.

He said he had a copy of a directive by the United Democratic Front (UDF) outlining "how the press should be manipulated for their benefit".

It was because of instances such as this that the publications should examine in a responsible manner the content of their reports.

If the compromise offered proved ineffective he would be forced to alter the regulations regarding the press, as required.

General Coetzee said it was difficult to lay down firm guidelines as to what could be construed as falling within the ambit of unrest. He cited the example of a boycott in Port Elizabeth of white shops and said police in the area had asked that this situation be considered part of the general unrest scene. — DDC.



SOUTH AFRICA

## BLACK REACTION TO BOTHA'S DEPORTATION ORDER OF FOREIGN WORKERS

Johannesburg SOWETAN in English 31 Jul 85 p 5

[Text]

**BLACK anger will increase as many people will suffer if the Government deports thousands of foreign black workers to their homes.**

This was part of the reaction to State President, Mr P W Botha's announcement that black workers from Southern Africa countries would be repatriated to their homelands if their governments continue to support moves for punitive measures against South Africa.

Mr Chris Dlamini, president of the Federation of South African Trade Unions, said: "We obviously feel concerned about the announcement because it will affect most of our members from those states, some of whom live in the urban areas."

Mrs Joyce Harris, the vice national president of the Black Sash said it will be a "terrible blow to a lot of helpless people already suffering". international community to stop the criticism of the country's apartheid policies.

"It is about time the Government tried to stem the tide of black

anger that is rising. This move will add more grievances," she said.

Mr N Hayson, a researcher at the Wits Centre for Applied Legal Studies, said the President was telling the

Azapo's publicity secretary Mr Imran Moosa said the S A Government was trying to force African states to "sing their song" at the UN. It was an indication of capitalism and racism.

The United Democratic Front has also criticised President Botha for threatening to send back migrant workers from neighbouring states if the international community imposes sanctions against South Africa.

Calling the threat "childish", UDF publicity secretary Ms Zo Kota said only dismantling the apartheid state would bring South Africa back into the world community of nations.

"The Southern African states have survived years of military destabilisation by South Africa, through the SADF and its covert wings, such as Renamo.

"This economic threat is a new tactic to bully them into submission."

SOUTH AFRICA

## POLICEMAN PAINTS PICTURE OF TENSIONS IN TOWNSHIPS

Johannesburg THE CITIZEN in English 2 Aug 85 p 14

### [Excerpts]

Detective-Sergeant Joel Msibi stayed put when rioters petrol-bombed his eight-room home in February, and he refused to leave after the second attack in May.

But the third attack in June left nothing unscathed. So Det Sgt Msibi joined hundreds of other Black policemen from the townships who have moved to safety in nearby White towns.

"They are after my blood. If they don't get me, they will get my son", Det Sgt Msibi said yesterday.

Dunnottar, a placid town about 50 km east of Johannesburg, is near the centre of the storm in the surrounding townships of Duduza, Tsakane, Kwa-Thema and others on the East Rand.

Anti-apartheid rioting has raged there since October, and Black officers have been a constant target as youths lash out at the nearest symbol of White rule.

A barracks of 11 tents has been thrown up in a yard next to the Dunnottar police station, now home to 19 Duduza police officers and some of their families. They have lived there for two months after all 120 officers were

evacuated from Duduza, a township of about 50 000 Blacks. None of the children attends school for fear of reprisals.

Colonel Leon Mellet of the Ministry of Law and Order said about 400 Black officers' homes had been attacked nationwide — 360 destroyed or badly damaged.

Det Sgt Msibi, (31) and an 11-year police veteran, lives alone and has sent

He has no sympathy for the rioters' view that peaceful protest has won them nothing in the campaign to end White rule.

"They say they want liberation — they can get it, through the right channels", Det Sgt Msibi said, adding that the White leaders "are trying their level best to do things for the Blacks."

To stop the rioting, "necessary force must be used", he said.

About 500 Blacks have been killed in the unrest, most shot by police. Many other "collaborators" — including more than a dozen Black officers — have died at the hands of rampaging mobs.

Det Sgt Msibi said he joined the police to maintain law and order.

"It was a good job, seeing to the criminals — there were plenty, and the people were not safe." Now, though, "the public does not really like the police.

The Government contends the attacks on Black officers are part of a broad strategy by opposition groups to make the townships ungovernable, and the Blacks are the victims.

"People are under the impression that there is a Black-White confrontation going on, but . . . at least 90 percent of the people are completely distancing themselves from the violence", Col Mellet said.

He maintains the situation is changing. "People are coming forward. We have arrested many of those responsible. Most Blacks want to live a normal life, where essential services are not disrupted.

CSO: 3400/818

29 August 1985

SOUTH AFRICA

## CENTER HELPS END SHORTAGE OF BLACK MANAGERS

Johannesburg THE STAR in English 5 Aug 85 p 16

/Text/

CAPE TOWN — An initiative to counter the chronic shortage of trained black managers in South Africa was announced at the weekend by the University of Cape Town.

The university's Graduate School of Business is to institute a centre for African management, specialising in black management development.

The centre, the first of its sort in South Africa, has been launched with support from local companies and multinationals as well as overseas universities, including Harvard Business School which will co-operate closely with it.

## CHIEF AIMS

The chief aims of the centre will be:

- To help companies develop a corporate environment in which managers from diverse backgrounds can progress.
- To introduce effective training programmes aimed initially at developing black managerial talent.

- To enable individuals to overcome the obstacles to their advancement into management.

- To conduct research into problems associated with black training and advancement in business.

Professor John Simpson, director of the school, said the effect would be a profound change in management style and philosophy.

"Full integration at all levels will become a reality and not a dream or a myth. I believe that management in South Africa will never be the same again."

He said that, in contrast to the economies of the technologically advanced nations, Africa was grossly short of managers.

"In South Africa, the most technologically developed of the Southern African states, the number of managers per 100 workers is less than a third of the number which most Western economies have.

"This serious state of affairs is the result of a long history of under-management which has been compounded by racial discrimination. Until recently management was the domain of the white minority.

"Few companies have been successful in selecting and training black people for management positions. Even fewer have begun to tackle the problems of creating a corporate culture in which black managers can flourish.

"The shortage of management in South Africa threatens the successful long-term development of every segment of the private sector and the soundness of the economy as a whole.

## CONSULTATION

"The position is much more serious if one considers the position of other countries in Southern Africa."

The centre will develop its courses and methods of instruction in consultation with companies, organised industry and commerce, and black leaders among others. — Sapa.

CSO: 3400/891

29 August 1985

## SOUTH AFRICA

## CONDITIONS OF EAST LONDON'S 'BUSHDWELLERS' DESCRIBED

East London DAILY DISPATCH in English 23 Jul 85 p 2

/Article by Tess Courtenay/

/Text/

EAST LONDON — Barely a kilometre from East London's city centre, in the thick bush and cliffs that surround the municipal rubbish dump at Second Creek in the Parkside area — lives a community of over 500 bushdwellers, more than 200 of them children.

The children, ranging in age from as young as four to 16 years old, are mostly orphaned or deserted by their parents at a very young age.

They have survived by banding together and forming a "fortress" where strength means survival. They live by their own laws, they care for each other, they bury their own dead and assist in the births that occur there. They manage to feed themselves — barely — from what they find in the rubbish dump and from what they beg on East London's streets.

Many of these children were born in the bush — and many of them die there.

Next to the bushdweller's community is the rubbish dump. This is where they "work", foraging for rubbish that may be sold or that they may be able to use. It is also their kitchen, very often the only place they will find food for the day — and in many cases it becomes their bedroom too.

What food they do find among the rubbish, often unfit to eat, is brought back and dealt out among them.

Many of them struggle to maintain a semblance of respectability, but most have discarded all social norms for a subculture of poverty, living from hand to mouth in a physically immoral fashion.

They live in "shakedowns", fragile shelters of cardboard, corrugated iron and plastic. Some lack even this, and sleeping in the open is common.

Probably the saddest fact of all is that many of these children — in an attempt to blot out their ugly reality — sniff glue and drink a lethal concoction of battery acid, paint, stale bread and water, which leaves them mindless and "high" and able to forget for a few brief hours.

It's not easy to get close to these children. Life in the bush is sordid and sad and the only person they have dared to trust is Mr Henry Kroutz, a community leader and teacher for the past 12 years at the Pefferville Primary School.

Mr Kroutz took us to this community.

First we visited a squatter camp in Parkside, above the rubbish

dump and cliffs where the children could be found.

What greeted us was a scene of squalor and utter poverty. Entire families were living in fragile erections of scrap metal and plastic sheet-

ing. These people knew Mr Kroutz well — he often visits them with food and clothing.

They have a name for him too, "Vetvader", for them he is father and since 1981 he has worked among them.

Mr Kroutz said that names which had been given to this community were both ironic and apt.

Lavender Squatter Camp is one which is rather ironic when you consider the unhygienic conditions and obvious stench which so often pervades the area.

Another name is Mpu-ku Street, "Mpuku", means mice, and this is seen as an area for people who live like mice, constantly scurrying and hiding.

It is only when you meet these people and hear their stories that you realise that they are real people out there in the bush. They have families, they get hun-

gry, cold and tired, and above all, they have basic human dignity and feelings.

We didn't stay long at "Lavender Street" before we moved on to the rubbish dump to meet the children.

Mr Kroutz had brought a boot-load of bread with him to feed the people living at the dump. As soon as his car was sighted, suddenly, as if some shout had gone out, a crowd of children appeared from the bush surrounding the dump and lined up to the call of "one line, one-line" by a filthy teenaged boy dressed in ragged pants and shirt.

The loaves of bread were cut and divided among as many as was possible, but soon the supply dwindled and many were left with nothing and went back to wait on the rubbish dump for another municipal truck to dump its load of pineapple peels and rotten offal.

The children who managed to get the bread seemed to have some sort of system worked out by which it was collected and put into a large sack, probably to be shared later among them.

"There are many hungry people living lives of despair. Many of them go to bed on an empty stomach and start the day without eating anything," Mr Kroutz said.

"The children are usually the hardest hit. They are sickly and malnourished. Unfortunately these children who live in hunger and ignorance must contend with this situation until the inevitable end comes," he added.

Driven by hunger, these bushdwellers risk their lives by eating the rotten food they acquire from the dump.

"These children, young victims of unemployment, forced removals, broken homes and desertions, are constantly on the move, searching for food in order to survive. You see them in the city begging for money to buy food before returning to the bush or alleyways to spend their nights huddled beside a fire."

Mr Kroutz spoke of his dream for these children — a children's home and haven where he said they would receive love and dedicated attention.

"This is my greatest wish for them, a children's home. The cottage type of home would be the ideal, not the antiquated type. Here they would have foster parents staying with them, giving them the love they need," Mr Kroutz said.

Adjoining the children's home would be a rehabilitation centre where the children could be trained in certain skills, have their own vegetable gardens and become rehabilitated into society again.

Mr Kroutz stressed that it was not only the desire to give these bushdwellers "hand-outs" or to romanticise the situation — but to aid them so that they could learn to fend for themselves in a "normal" society once again.

"These youngsters feel they have been discarded by society. They have been discarded, and what grieves me most is that there are not enough people aware of this tragedy," he said.

What hope is there for these people? Mr Kroutz

Mr Kroutz said that the government was also aware of the problem and had initiated an emergency plan to help provide short-term employment.

In the meantime, it is organisations such as the local branch of World Vision, people like Mr Kroutz and other welfare concerns who continue to provide temporary relief to these bushdwellers. Yet even they cannot help to fully allieviate the sordid and sad poverty stricken lives of East London's bushdweller communities.

said most pertinent at present was the building of a children's home, yet the funds available at present for such a project were totally inadequate.

Another ray of hope was the interest and concern shown by Mfesane, a Christian organisation which had helped to initiate a short-term employment project for unemployed breadwinners. Such employment projects would be to the advantage of the community or needy individuals.

29 August 1985

## SOUTH AFRICA

## PORT ELIZABETH FIRMS LOOK TO GOVERNMENT FOR ACTION

Port Elizabeth EVENING POST in English 17 Jul 85 p 1

[Article by Kin Bentley]

[Text] THERE is an uproar brewing among white businessmen bearing the brunt of the black consumer boycott of Port Elizabeth retail outlets which started on Monday.

They are concerned about the lack of "official moves" in ending the boycott action which one trader said could see half the city's smaller businesses closed.

The proprietor of a chain of four stores in PE, who did not wish to be named, said three of his shops which relied on black clientele had experienced a 90% drop in trade.

He said: "I don't think the Government is going to do anything about it."

"I phoned the local National Party office. They've got no idea what's going on, and they run the country."

He said it was time the State President became involved.

"Instead they're sending (Law and Order Minister, Mr Louis) le Grange here, who made a mess-up in Uitenhage," he said.

He added that local traders affected would be meeting to discuss ways of drawing to the Government's attention the severity of the situation. He questioned whether the PE Chamber of Commerce could do anything.

The man said he would have no option but to consider laying off staff in the near future if the boycott continued, aggravating the unemployment situation.

Referring to the intimidation of buyers, he said on Monday a woman was forced out of one of his shop by a person wielding a knife.

The boycott, coming on top of the generally depressed situation, was "absolutely devastating", said another trader who owns a large clothing outlet in North End.

He said he'd like to see some "constructive action" taken by the Government, which should "take cognisance of the black grievances and of our problems".

"The removal of the army from the townships is not within our power," he said.

"What I would like to see is someone talking to them, discussing the situation and trying to put things right."

Demands made by the organisers of the planned two-month boycott by black consumers include:

- That the South African Defence Force and the heavy contingent of police be withdrawn from the black townships.

- That the mystery disappearances of people in the townships should come to an end.

- That the Government should freeze price hikes on basic commodities, especially those used by blacks.

- That the ban on meetings by certain organisations be lifted.

- That the Black Local Authorities Act be scrapped.

- That the Department of Education and Training consider pupils' demands.

SOUTH AFRICA

## TWO OPPOSING VIEWS ON DISINVESTMENT

Durban POST NATAL in English 17-20 Jul 85 p 6

[Text] [Boxed item] DISINVESTMENT has become a major issue--here and overseas--with both houses of government in the United States voting last week to impose major sanctions against South Africa. The issue is viewed as an important one by both the government of this country and its opponents.

This week, we present the first of a two-part series of interviews with two people holding opposing views on the issue. Ten questions were presented independently to spokesmen for the two viewpoints--neither of whom were aware that the other was being interviewed.

ISMAIL OMAR is one of the parliamentary representatives who have left South Africa in recent weeks to travel to the United States at government expense to argue against disinvestment. Mr Omar holds B.Luris. and LL.B. degrees from the University of Durban-Westville. He entered politics last year as a founder member of Solidarity and is an executive member of that party and their representative on the President's Council.

SATHS COOPER is among many people who have been denied a passport by the South African Government and is not in a position to travel to the United States to voice his views on disinvestment. Mr Cooper holds a B.A. degree from Unisa with a B.A. (Hons) in Psychology from the University of the Witwatersrand where he is currently completing his Masters in that subject. He entered politics in the early 70s as one of the founders of the black consciousness movement. He served an eight-year prison sentence on Robben Island until 1982, re-entering politics after that as deputy president of the Azanian People's Organisation (Azapo). He is the convenor of the National Forum Committee.

KANTHAM PILLAY conducted the interviews.

### 1. Why has disinvestment become such a major issue here and overseas?

OMAR: It is not entirely true to say that disinvestment is a new issue. Two recent developments have given it a new twist. The first was the "Consulate Affair" coupled with the subsequent detentions-without-trial. The second was Senator Edward Kennedy's visit.



Senator Kennedy's visit, I think, gives a clue to American interest and involvement in this region. The Senator himself has been in politics for a long time, and I find it strange that his interest in our local situation has suddenly taken on a new focus just immediately prior to the next round of elections coming up in a few years in America itself. It gives hint of the fact that Kennedy may have used this as a political issue.

If you examine the American political situation, since the Vietnam War, there haven't been very many issues around which Americans can rally. Disinvestment is definitely a political issue in America highlighted by the recent Nightline interviews which sparked tremendous interest.

So we have a situation where an American political issue has an influence on millions of people here in South Africa. There are tremendous hints that we are being used as a political football.

COOPER: The American focus on disinvestment has been going on for two decades and has now reached a climax.

The various groups that are involved in the disinvestment campaign are groups which have been disaffected largely by Reagan's economic and foreign policies. They span a range of interests in the United States--they are not a homogenous grouping at all. They range from moderate civil rights groups to more leftist oriented ones, and they find a common cause in the present inequity that exists in South Africa. They have rallied around the call of disinvestment much as in the early 60s, the Vietnam War issue caused many similar groupings to rally around the one issue of interference in Vietnam.

The particular issue here has been American support for an condonation of South Africa's racist policies, particularly where it concerns Reagan's "Constructive Engagement" policies. The various groupings there have been opposed to Reagan's involvement in this country and the support he has given to this "new deal" that has been implemented over the last year.

It is a major issue here as well because many activists, many moderate resistance groups, and many spokespersons of the oppressed and exploited people see it as an alternative to more militant actions, as an alternative to involvement in other types of activity, for example, violent activity.

2. What do you see as the arguments in favour of disinvestment?

OMAR: If the question is "What are the positive sides to disinvestment?" one has to ask what disinvestment itself is?

To different people it has different connotations. To some people it means sanctions. To others, it means controlled disinvestment of strategic exports to South Africa, and again to others, as an instrument of leverage to bring about changes in certain fields.

There is also legislation (in the United States) that calls for actual withdrawal of existing investment in this country and that is what I would

consider to be the more correct description of what disinvestment per se stands for. It is that kind of disinvestment that I am totally opposed to.

It would be incorrect to generalise that any strategy has no positive factors and as a strategy, one would certainly find positive factors in disinvestment. But one has to consider from an overall context whether the positive and the negative factors weighed and balanced give you a strategy that will ultimately be successful, and at what price and at what cost--or whether alternate strategies could achieve the same purposes and at a lesser price and at a lesser cost.

It is my contention that the strategy should be in a different form--not disinvestment but what I would call "investment for change" placing the emphasis not on divesting but on investing in fact to a larger extent to achieve the desired objectives which even the protagonists of disinvestment hope to achieve--I think that is how one should look at the situation.

COOPER: The disinvestment campaign firstly puts moral pressure to bear on multi-national companies over investment here.

It also has in its favour that it focuses world interest on this country, particularly on what this country has been trying to get away from with its various manipulated statistics and its apparent "reform" in this country: the fact that the majority of South African citizens are denied basic rights in the country of their birth.

Disinvestment focuses on those basic injustices and inequalities.

3. What are the arguments against it?

OMAR: It will have the effect of causing tremendous and untold harm to all the peoples of South Africa, and it will not be selective in its application.

Even if you want to isolate a particular group whom you feel are responsible for the moral wrongs in this country, you cannot isolate and attack that group in isolation itself. I believe in the principle that destructive means cannot achieve constructive ends. If one adopts a strategy that has very little chance of success, that in itself makes the strategy a negative one to start off with.

I believe that the same people could in fact make this a constructive force by adopting the theme of "Investment for change" because that opens a host of possibilities.

COOPER: The problem with disinvestment is that it really hasn't got much of a sustained and fundamental support behind it that can result in multinational companies pulling out of this country.

It merely has moral pressure, it appeals to the morality of people in power. It appeals to the morality of the multinational companies and the morality of the South African Government.

Some multinational companies may have within them some elements that may be appealed to on a moral level, but on the whole, multinational companies, I think, are interested more in the rise of their dollar profit than in the lot of the oppressed majority.

Again, when it comes to the South African Government, I don't believe that this Government can in fact be appealed to at a moral level. This Government is steeped in immorality--every bit of its policies, every bit of its legislations, smacks of immorality. So this country cannot be appealed to as far as the ruling class is concerned on a moral basis.

The struggle in this country is in fact encompassing an attempt to return this country to a basis of morality whereas the present rulers are steeped in immoral evil policies.

4. The South African Government keep claiming that it won't be themselves but the masses who are hurt by disinvestment. They are also aware that total disinvestment will not come about and covert investment in this country will continue. Outside technology has found and will continue to find its way into this country through the back door in spite of existing embargoes. Why then is the Government as concerned about this issue?

OMAR: In all honesty, it may be a response of self interest. If anyone argues "we won't be hurt, the masses will be hurt", that proposition is not correct. If you chop the hand of the economy, the pain will be felt through the entire body. The effects cannot be selective; it will hurt white, black, coloured, and Indian; it will hurt all sectors, rich and poor.

So why does one argue, "It's not going to hurt us, but don't disinvest"? Of course it's going to hurt us! It's going to hurt all of us. We are saying don't disinvest because we don't want to be hurt.

In South Africa, it is going to hurt whites, it's going to hurt the Government, because a bad economy creates an unstable political situation. The present recession is indicative: I don't believe the recent unrest is purely the result of a political syndrome--the economy has a lot to do with it as well.

So even if government doesn't have a direct economical involvement, they certainly have a political investment. I believe the Government is in a process of reform and the last thing they can afford now is economic instability.

COOPER: Unlike the early 70s, when the first calls for disinvestment were made by the South African Students' Organisation (Saso) and the Black People's Convention (BPC), presently the South African Government is much more open to attack, political attack and pressure.

They have made various declarations internationally about change and about reform, whereas internally, that reform has meant betterment for a very select elite few people.

The South African Government has committed itself to this new deal they are implementing and because of that commitment towards wanting to see it succeed, we have seen, for example, the repeal of the Mixed Marriages Act and certain sections of the Immorality Act, the repeal of the Improper Interference Act. These types of measures are intended to give the impression that reform is actually working whereas it only affects a minority among the oppressed.

The South African Government has committed itself to a quid pro quo agreement with Reagan because of Reagan's constructive engagement policy where Chester Crocker and others have been pioneering a campaign of tactical support for the Government.

With reform, what happens is that expectations rise to such a high pitch that those making the concessions begin to reach the stage where they become very nervous, more jittery, and you can see signs of this within the South African Government right now. There is a need to present a more centrist policy as opposed to the more verkramp policies of the HNP, the CP, the AWB and so on. And because of that, the South African Government is opening itself up more to international pressure.

Locally as well, you can see this type of "boiling porridge effect" where you have a bubble rising in one particular area and another in another area and so on. It's very difficult to put a lid on that type of bubbling situation. That is precisely being contributed to by the Government's new deal concession attempt, besides the fact that there are very real legitimate grievances that people have reached a frustration point over and that level of anger and resentment is very high.

The Government is particularly concerned should disinvestment reach a crisis point where firms begin pulling out or more firms begin pressure to bear or making demands on the South African Government, precisely because the South African Government relies so heavily on loans from various sources overseas.

The American connection is not a very important one--it's a mild one--but should the American connection be severed, then automatically, the European connection will begin to get severed. And that is the big concern of the South African Government--that European investors, European lending banks, will get influenced by the American pullback on investment or the American stop on short-term loans to this country.

This Government is heavily indebted to various lending banks all over the world for short-term loans for the implementations of its apartheid policies. Otherwise the South African Government wouldn't be as crazily involved in attempting to counter the disinvestment lobby by sending people overseas, people who are largely stooges, people who have a commitment to the present system but no commitment to real change.

This Government will never dare allow real opponents of their regime to go out and present an alternative case. In 1975 when we (Saso-BPC members) were charged, one of the major charges was "disinvestment".

To my knowledge though, that is the first and last time that anyone has been charged for that type of thing.

SOUTH AFRICA

# VOITH TO INCREASE INVESTMENT DESPITE EMERGENCY

Johannesburg BUSINESS DAY in English 29 Jul 85 p 4

[Article by Alan Peat]

[Text]

GERMAN machine manufacturer Voith is considering further extensive investment in South Africa, despite the emergency declared by the government.

Discussions have already been held with possible partners in assembly and/or manufacturing plants for the company's range of heavy vehicle automatic transmissions and retarder systems.

Dr Michael Rogowski, corporate executive vice-president of the German company and chairman of Voith SA, is on his first visit to the Republic to attend the international transport exhibition, Itec, and to assess the market conditions.

"The amount of the possible investment is unlimited, but we have to be sure the volume in this country grows large enough to ensure an adequate return," Rogowski said.

The present recession meant economic conditions were "not right".

"But the present state of emergency will in no way influence our plans."

The SA arm of the company is presently only a sales organisation, but Voith water turbines and paper-producing equipment have already been assembled in SA in association with Dorbyl to fill major orders for Sappi and a R2m deal with Escom. The water turbines have a 30% local content level.

"And," said Rogowski, "local content here will certainly affect our marketing plans."

"The proposed local content for heavy vehicles is one of the reasons we have been talking to possible local partners on the assembly and/or manufacture of our retarders. The same goes for the transmissions, though this is such complex equipment it needs costly manufacturing plant and I doubt if South African volumes would justify local manufacture."

Voith SA was established two years ago.

CSO: 3400/864

SOUTH AFRICA

## BUSINESSMEN ADOPTING INCREASINGLY CONSERVATIVE POLICIES

Johannesburg THE CITIZEN in English 2 Aug 85 p 8

[Article by Tony Stirling]

[Text]

THE "live now, pay later" syndrome that was a characteristic of South Africa's boom years is steadily on the wane as more and more businesses are adopting an increasingly conservative policy on advancing credit.

Inquiries made by The Citizen yesterday from a number of different types of businesses — ranging from clothing to furniture and car sales — indicated that those firms that are surviving well in the face of the recession have tightened up on credit control or have from the start adopted a conservative policy in issuing credit.

And in the businesses which rely on cash turnover, such as liquor, petrol, repairs and servicing, particularly of vehicles, as well as restaurants, terms have by and large become cash, bank guaranteed cheques, or credit cards, with few exceptions.

This is because of the increasing number of cheques that are being returned by the banks.

It has become the norm of businesses that no longer accept cheques in payment for goods or ser-

vices rendered, to erect a board on which the cheques which have not been met are pinned.

Such notice boards are common in premises ranging from veterinarians to cafes.

The general rule, particularly among the smaller businesses, is that cheques (unless bank guaranteed) are no longer acceptable as a medium of exchange.

In other lines of business, such as furniture, clothing and vehicle sales, where the items are often bought on credit, all concerns contacted by The Citizen yesterday reported that a much closer look is being taken at potential customers and their ability to pay.

An increase of payment defaulters has been noticeable in all sectors, although trends in this respect were on occasions reported to be regional, with the greatest incidence being in areas such as the Eastern Cape and those industrial areas most affected by unemployment.

In the furniture and vehicle trade a greater number of repossessions is being recorded.

Some organisations are doing their utmost to stave off repossession by accepting token payments for a period, or persuading family members to take over the commitments of those who can no longer pay.

Even building societies are reporting an increasing incidence of persons unable to meet their bond repayments, as has been evidenced in increasing numbers of applications for sales in execution coming before the courts.

Many sectors are experiencing a diminution in the volume of sales, and this is particularly true in the furniture and vehicle trade. Those that are surviving or meeting targets have all taken a close look at their credit control situations — rather than concentrate on volume and incur bad debts against goods which they as trades have to pay for.

Credit accounts, where given, are being cut as soon as there are signs of a customer's inability to continue paying.

Liquidators indicated that a major cause of insolvencies was cash flow problems arising out of inadequate control over debtors in many small and moderate sized businesses.

CSO: 3400/818

SOUTH AFRICA

# SHOPKEEPERS SAY TRADE IS STILL BLEAK

Post Elizabeth EVENING POST in English 30 Jul 85 p 9

/Text/

CONFLICTING reports concerning the black consumer boycott in Port Elizabeth have been received.

While some Korsten traders have reported an improvement in black consumer buying, of four North End stores contacted today, three reported the situation as still bleak.

A spokesman for a major furnishing store which relies on black buyers for 90% of its business, said that since the inception of the state of emergency business had definitely improved.

A clothing retailer, who also relies predominantly on African trade, said only 1% to 2% of the customers who normally supported him were buying.

The manager of a North End men's outfitters with "99% black clientele" said he had seen "no improvement" since the state of emergency was applied.

"I can't carry on like this. I'll go bankrupt," he said.

A shoe store owner in North End said they depended on black clients for about 50% of their trade, but had also experienced "no improvement".

The vice-chairman of the East Cape Traders Association, Mr Shun Pillay, said today that Durban Road in Korsten was "very quiet" today, traditionally a busy day.

He said the pamphlet announcing the boycott had been called off, had "caused confusion and worsened the situation" because "the average African in the townships is too terrified to make a decision to break the boycott," he said.

He said many traders were hopeful the pamphlet was valid and many had put it up in their shops.

Both the Consumer Boycott Committee and the Eastern Cape Regional Committee of the United Democratic Front have denied responsibility for pamphlets distributed in the townships stating the boycott was over.

Mr Mkhuseleli Jack, a spokesman for the Consumer Boycott Committee, said any pamphlet issued by his committee would be easily recognisable.

Mr Stone Sizani, regional publicity secretary for UDF, said the pamphlets were "malicious and destructive tactics".



SOUTH AFRICA

## CISKEI ACCUSES RSA OF ECONOMIC SABOTAGE BID

Johannesburg THE STAR in English 30 Jul 85 p 8

[Text]

South African officials were apparently trying to sabotage Ciskei's new free market development strategy, Mr Leon Louw, executive of the Free Market Foundation, said today.

In his address on transport deregulation in Ciskei to the Annual Transportation Convention (ATC) in Pretoria, Mr Louw said that, in terms of Ciskei's Small Business Deregulation Act, transport enterprises employing fewer than 20 people were exempt from economic regulation.

### "UNFAIR"

Mr Louw said that while the official South African Government position was that it accepted Ciskei's new free market development strategy, South African Transport Services were apparently trying to sabotage Ciskei's policy.

A South African official had complained that Ciskei permit holders would provide "unfair competition".

"South African officials are said to be harassing Ciskeians by setting up roadblocks where Ciskei roads pass

through South Africa in order to prosecute Ciskeians travelling lawfully from one part of Ciskei to another.

"Ciskei has filed a diplomatic complaint but more drastic action might be called for such as a renegotiation of the transport treaty or the impounding of South African vehicles passing through Ciskei.

"This last alternative would virtually bring the border region of South Africa, and transport through Ciskei, to a standstill."

Mr Louw said deregulation had created many new opportunities.

There had been a tremendous growth in the number of licensed taxis, which did not appear to have occurred at the expense of buses and trains.

Various new services had emerged since deregulation, including a new private bus service.

Deregulation had also resulted in:

- The depoliticisation of transport and the decriminalisation of legitimate trade.
- An eradication of corruption. Politicians and officials were no longer able to manipulate the regulatory system.
- Police and inspectors could concentrate on maintaining law and order.

CSO: 3400/850

## ECONOMIC IMPACT OF BOTHA'S ANSWER TO SANCTIONS DETAILED

Johannesburg BUSINESS DAY in English 31 Jul 85 pp 1, 3

[Article by Paul Bell]

[Text] NEIGHBOURING states would be deprived of at least R2,2bn in repatriated earnings alone if President P W Botha decides to send foreign workers packing.

That represents the earnings of 210 000 mine workers only. The actual cost to these states could be much higher if total earnings of expatriate workers and other SA accruals are taken into account.

This indicates the extent of the threat to the foreign exchange earnings of countries like Botswana, Lesotho, Malawi, Mozambique and Swaziland. The dependance of some of these countries on repatriated earnings for their foreign exchange is near to total.

Botha cited estimates of up to 1,5-million foreign black workers in South Africa and said government was investigating the numbers so that it could weigh up how to repatriate them.

He also threatened to freeze out Frontline states' imports/exports by closing South African rail, air and harbour facilities to them, and to stop other forms of co-operation and assistance with neighbouring states.

The estimate of 1,5-million foreign black workers has been questioned but it is extremely difficult to get an accurate picture of the numbers, although most work in mining and agriculture.

Their total earnings, based on the earning capacity of Chamber miners alone, could run to several billion rands.

In 1983, the number of workers legally in South Africa was put at fewer than 288 000 — drawn from Botswana (26 000), Lesotho (145 800), Malawi (29 600), Mozambique (61 200), Swaziland (16 800), Zambia (700) and Zimbabwe (7 700).

A glance at mining industry figures on the value of this labour to neighbouring states, in terms of foreign exchange earnings alone, indicates starkly the extent of Botha's threat.

At May 31 Chamber of Mines members drew 38,7% of their total labour force of nearly 543 000 from five countries: Lesotho (108 401), Mozambique (50 885), Botswana (18 830), Malawi (18 652) and Swaziland (13 328).

The chamber's recruiting arm, Teba, is also said to have put the total earned by foreign miners in 1984 at about R2,2bn, of which up to half — R1,1bn — went back to their countries through deferred pay, remittances, the purchase of capital goods and supplies and other multiplier effects.

The amount of R2,2bn is larger than the gross national product of either Lesotho (\$670m in 1983), Swaziland (\$619m) or Botswana (\$920m).

**HARD CASH EARNINGS**

Hard cash earnings by Lesotho, Botswana, Swaziland, Mozambique and Malawi from the Chamber miners alone totalled R418m. The difference between this figure and the R1,1bn is made up of transfers in others forms and purchased goods.

Lesotho, Mozambique and Malawi require 60% of wages to be paid out in the home countries: Lesotho earned R105m, Mozambique R69m and Malawi R24m. Other states gleaned R88m, and a total of R132m was remitted through Teba to families.

These miners, it is estimated, support about 3-million dependants in Frontline states.

Botha's repatriation threat follows that made by Deputy Foreign Minister Louis Nel two months ago. Both threats provoked widespread condemnation at home and abroad.

It is being interpreted as vigorous sabre-rattling in the wake of the UN Security Council's call for voluntary sanctions. Although the UN is the ostensible target, Pretoria probably hopes that it may persuade the Reagan administration to head off looming US Congressional disinvestment measures at the pass.

Observers, displaying a measure of sympathy for Botha's statement, have said his threat against foreign black workers may be the only way to bring forcibly into the sanctions equation an element that has been largely ignored by the US/European and UN anti-apartheid lobbies — disinvestment's likely impact on the Frontline and other neighbouring states.

FCI director Jan van Zyl said his organisation and Assocom would raise the anti-sanctions threat with Botha when he meets them tomorrow. Other spokesmen have warned that tit-for-tat measures could seriously accelerate political and economic destabilisation in the region.

PFP manpower spokesman Alex Boraine said such a move would have "profound and serious consequences".

"Botha's tough stance should be a warning to those who believe that sanctions against South Africa will lead to far-reaching reforms within South Africa".

Gerald Reilly reports that AHI president Donald Masson, while stressing the organisation's opposition to political and economic confrontation, said such a move could have certain substantial benefits for South Africa.

He said it seemed Botha had had little choice but to act this way, but repatriation might also have some favourable spin-offs, among them an amelioration of the domestic unemployment crisis.

#### Expatriate miners in SA

1985

Lesotho .....	108 000
Mozambique .....	51 000
Botswana .....	19 000
Malawi .....	19 000
Swaziland .....	13 000
(Chamber of Mines employees only)	

29 August 1985

SOUTH AFRICA

## PRIVATIZATION SEEN KEY TO NEXT YEAR'S ECONOMIC GROWTH

Johannesburg BUSINESS DAY in English 1 Aug 85 p 6

[Article by Paul Bell]

[Text]

**N**EXT YEAR, most people have been led to believe, there will be an economic recovery ... and about time, too. That should mean higher real incomes, more jobs and less expensive loans to buy houses and cars and other durables.

This has important implications for businessmen, as they need to know what steps to take now on such things as manufacturing capacity, inventories and other aspects of their business to ensure that they are able to exploit the opportunities that become available.

The better they are able to do this, the more efficient the economy will become and the greater the chances of economic growth accelerating to the benefit of all.

The key to the speed of recovery will, of course, certainly at first be determined by the monetary and fiscal strategies that are applied by government.

Inevitably, these strategies lead to controversy, usually because they have political implications, but also because different interest groups see their particular interests best served in different ways.

Politicians and public servants, for instance, usually present higher government spending as a priority to building up economic steam. They have, of course, most to gain from it and also from inflation, which swells tax coffers.

**B**ankers and businessman, on the other hand, usually perceive their interests best served by lower taxes, unless they are to gain directly from government contracts.

Whatever the correct strategies should be, now is the time that they should be formulated and discussed. To this end, *Business Day* intends to carry a cross-section of informed opinion in a series of articles on the topic.

We start today with the views of six economists: the economic consultant to the board of the Anglo American Corporation, Aubrey Dickman; Assocom's chief executive Raymond Parsons; the Federated Chamber of Industries chief economist Arthur Hammond-Tooke; the Standard Bank's economics chief Nic Cypionka; Professor Brian Kantor, of the UCT Business School; and economist Louis Geldenhuys, of stockbrokers George Haysamer and Partners.

Four elements have been discerned by all of them as important points of government strategy in 1986.

They are:

- To retain the credibility of Bank Governor Gerhard de Kock, if he is not to lose credibility, will have to change operating procedures sufficiently to prevent extra credit demands from any quarter leading to extra supplies of money.

Most of the economists stress the need to avoid the type of "hot

air" expansion in domestic consumption that characterised the half-boom which — led by easy money supply and high wage/salary and inflation expectations — lasted into the first quarter of last year.

**T**hey call for consistency and continued restraint now.

Dickman questions whether government really braked that hard, and says any loosening of the reins will have to be within very clearly-defined limits.

Cypionka — while sympathetically aware of the harsh realities of life on the lower rungs of the economic ladder — warns government against "chickening out ahead of an increase in unemployment". Monetary policy should not, he says, deviate from accepting positive real interest rates.

Parsons says business wants less crisis management of monetary, fiscal and exchange rate policy. Economic policy in general and monetary policy in particular must be handled so as to restore confidence and credibility.

All six economists would like to see government implementing the De Kock recommendations, present monetary restraint;

- To allow no real increase in public sector spending — as a minimum condition;
- To move ahead with privatisation and deregulation; and
- To restore confidence within a framework of realistic expectations.

There was also strong — although not unanimous — support for supply-side tax cuts.

Not one has recommended any significant relaxation on monetary controls, particularly in view of the fact that government has only recently restored some balance between its monetary and fiscal policies. Any stimulation via the money supply, which would be illusory, is rejected.

**T**here are shades of difference

between the six on the extent to which market forces should set the pace as government regulates money supply.

For example, Cypionka advises a controlled decline in interest rates. Geldenhuys says the direction of rates is down so let them go while government spending is under control — "you can't keep all of the stops out all of the time".

And Kantor says that Reserve and monetary targeting in particular, as soon as possible.

Kantor says: "Introduce targets before the next revival gets under way. Business and consumers need these if they are to be convinced that inflation will not accelerate with the revival."

Dickman is cautious about targeting. He approves of it but feels that 1986 is too soon for targeting to be important in evaluating monetary policy. He says the Reserve Bank will need some experience in the use of this tool.

He also refers to the technical aspects of targeting, and especially the impact of velocity on targeting theory, which, he says, might lead in practice to nominal targeting of GNP.

He also suggests that, now that net reserves are beginning to improve — which might lead to increased liquidity — changes in bank credit should be closely watched.

**G**eldenhuys interprets present Reserve Bank monetary policy as interest rate policy. "They are going to influence interest rates through the discount window".

Kantor said control over the money supply meant breaking the links between bank credit and money supply, but lower interest rates would not necessarily ignite credit demands.

Geldenhuys appears to agree on this score, saying that a credit spree is unlikely, even with prime at 17%, because of the squeeze on real incomes. He qualifies this by warning against a relaxation of hire purchase curbs relaxed too quickly.

Regarding tax, the prescrip-

tion common to them all is the need to rationalise the tax structure and expenditure. A tax increase would *obviously* be highly inappropriate given the retarding effect of the present tax level on economic growth.

**P**arsons actively supports a tax cut. Depending on the recommendations of an interim Margo report, government, he says, should make room for tax cuts next year to underpin long-term growth, remove temporary surcharges contained in this year's Budget and compensate for the regional taxes which may be introduced next year.

Hammond-Tooke, who has devoted much of his energies for the FCI this year to submissions to Margo, also refers to present "excessive real levels of tax" and the consequent need for "adjustment. He would wish to see government initiate a zero-budgeting strategy immediately".

The others emphasise cost-effective government spending, although Geldenhuys indicates that — given the massive socio-economic commitments of government with special regard to the black community — an overall tax cut might be inappropriate.

In Geldenhuys' view, supply-side economics is unlikely to transplant successfully in South Africa, if only because — if Reaganomics is used as the yardstick — we cannot afford tax cuts, a spending spree and bigger trade deficits.

He says political factors, too, would cause difficulties in attempting real cuts in expenditure because of the need for "social" and "preventive" spending.

Cypionka believes a tax cut might be appropriate *only* as an alternative to increased government spending if stimulatory measures were called for.

Kantor says one way to stimulate growth is to limit government spending, to simplify taxation and to accept a bias towards savings. Bigger budgets come out of a bigger economy, not out of a bigger share for government.

**B**eyond monetary and fiscal policy, the third leg of immediate strategy — for which the economists call to a man — should be to move ahead with deregulation and privatisation.

In fact, deregulation/privatisation (DP) stands, in their minds, almost as a central pillar of the immediate drive for growth, in that monetary and fiscal policies — as Dickman puts it — influence a given economic situation without addressing broader structural deficiencies in the system.

Parsons says DP would be an important way of reducing the State's claim on the country's resources, and hence to limiting government spending. Privatisation could generate finance for the State to use in those areas where it alone can take action. He calls for a White Paper on policy.

Hammond-Tooke says the private sector is already engaged in shaping a strategy for DP — and trying to engage government in discussion on the rules of this new game. Geldenhuys cautions that such a strategy will have to take into account the jobs of those employed in possible affected areas.

**T**his leads into the need for a comprehensive overall economic strategy, a matter also widely agreed by the economists. Cypionka refers to a necessary recognition of the fact that existing metropolitan areas are better suited to development — concentration as opposed to decentralisation.

Economic policy should be right for its own reasons, unaffected by ideological considerations. But a precondition for this is the establishment of social and political frameworks conducive to the creation of the right economic strategy.

Cypionka's phrase sums it up: "We need more than monetary and fiscal tinkering. We need a plan."

Geldenhuys says: "IBM was planned; so was General Motors. I'm no socialist, but why can't we plan an economy?"

SOUTH AFRICA

COMMERCIAL UNION EARNINGS DOWN

Johannesburg THE STAR in English 2 Aug 85 p 12

[Article by Duncan Collings]

[Text] The combination of a massively adverse swing in underwriting results, static investment income and higher shareholders' share of life profits, left Commercial Union's net earnings 53 percent down at R2,3 million in the six months to end-June.

Interim dividend, however, is left unchanged at 14c.

Reflecting the adverse short-term insurance climate, underwriting showed a R2,2 million loss against a R3,0 million profit in the same period last year.

Premium income was up at R53,6 million (R43,9 million), but an increased incidence of claims for fire, accident and marine together with inadequate premium rating resulted in the sharply worsened underwriting result.

Managing director Mr Bill Rutherford said that the gravity of the prob-

lem of inadequate ratings has been highlighted by the depressed economic climate in which the incidence of claims has risen sharply and the general public has become significantly more claim-conscious.

"Further rate increases, however regrettable, will be necessary and inevitable until underwriting gets back into a break-even situation," he added.

PERFORMING WELL

In the six months investment income was fairly static at R4,8 million versus R4,5 million, while shareholders share of life profits was well up at R550 000 (R350 000).

The life and pensions account continues to perform well with gross premiums up 75 percent at R54,9 million (R31,4 million).

A large slice of the new business was in immediate annuities, though other business was up 37 percent.

CSO: 3400/891

SOUTH AFRICA

GROSS DOMESTIC EXPENDITURE FALLS

Johannesburg THE STAR in English 2 Aug 85 p 12

[Article by Dr Roger Gidlow]

[Text] In the face of a decline in South Africa's real gross domestic expenditure most forecasters are projecting at best a derisory growth rate in the economy this year.

Although the real gross domestic product increased by 4.5 percent in 1984 as a whole, a sharp downswing in the business cycle commenced around the middle of last year.

Despite this rather sombre picture merchandise exports are expanding at a healthy rate.

This is providing some support for domestic economic activity, and is instrumental in helping to produce a dramatic improvement in the current account of the balance of payments.

While there was a deficit of roughly R1 billion in 1984, there have been surpluses since the fourth quarter of last year. Based on the preliminary figures for the first half of this year a surplus approaching R4 billion could be on the cards for 1985 as a whole.

This would be equivalent to more than three percent of the gross domestic product — an impressive result, considering the depressed gold price.

The recent return to a surplus on the current account has been supplemented by further inflows on the long-term capital account, although net sales of shares on the Johannesburg Stock Exchange by foreigners have materialised during the past few months.

The large outflows on the short term capital account which were registered in the fourth quarter of last year and the first quarter of this year did not appear to be repeated in more recent months.

The overall result has been a sizeable rise in the net foreign exchange reserves of the monetary banking sector during the second quarter of this year.

If this continues, and the rise in export incomes permeates the rest of the economy, the foundation will be laid for an economic upswing.

Recent balance of payments trends have also made it possible to reduce the overall burden of foreign debt.

In the first six months of this year, the Reserve Bank repaid roughly \$600 million in foreign loans. These repayments have been made possible by large purchases of dollars in the market by the central bank.

The authorities, in effect, are taking advantage of the current account surplus to repay foreign debt in order to try and improve the country's credit rating.

Faced with disinvestment pressures and a possible shortening of the maturity structures of foreign credit lines available to local banks, the authorities have concluded it is imperative to retain as far as possible the confidence of foreign banks.

South Africa cannot afford to carry large foreign debts when the next upswing in the economy materialises, because large access to foreign credits is not

guaranteed if the balance of payments comes under pressure again.

This country has about R1.5 billion in IMF loans outstanding, which are due to be repaid in 1986 and 1987. Repayment of this debt is again prudent for purposes of preserving our foreign credit status.

There is similarly some 7 million ounces of gold outstanding under gold swaps, and some repurchase of this gold would be desirable. The bank also still has outstanding net commitments to sell dollars on forward exchange account.

### Foreign reserves

These circumstances mean the central bank is likely to continue buying dollars in the market as conditions permit, so that foreign liabilities are reduced.

The sudden outflow of capital in the past week or so has interrupted the trends towards higher net foreign reserves, but this may represent only a temporary suspension for the policy of re-building these reserves.

This policy may seem eminently sensible but it poses risks. The rate of increase in the money supply as measured by M1, M2, or M3 decelerated to about 12 percent at a seasonally adjusted annual rate in the

first five months of this year compared with increases in excess of 20 percent last year.



If the bank continues to make significant dollar purchases it will add to the cash base of the banking system, and this could arrest the recent improvement in the trend of the monetary aggregates.

The authorities are aware of this danger, and the obvious response would be to conduct more vigorous open market operations.

In this respect, however, there are practical difficulties. The Treasury may be reluctant to issue more government stocks for sale, because the fiscal position has improved.

More stock sales lead to a rise in interest payments on the government debt, which augments the budget deficit before borrowing.

Any higher balances on the stabilisation account may face the Treasury with new pressures to spend more money.

There is one source of pressure which could induce the Treasury to issue more paper if this appears justified for reasons of monetary control. It still faces substantial commitments to reimburse the Reserve Bank for losses the latter sustained recently on forward exchange account.

CSO: 3400/891

29 August 1985

SOUTH AFRICA

## ECONOMIC PARTNERSHIP LINKED TO POLITICAL REFORM

Johannesburg THE STAR in English 5 Aug 85 p 16

/Article by Stan Kennedy/

/Text/

Political integration without economic integration would lead to the collapse of South Africa's economic system, Mr Andre Spier, director of Syncom, told the Association of Personnel Service Organisations.

He said economic integration, in which the total population became partners in a modern economy, was the essential prerequisite for any political agenda for constitutional reform.

Presenting a paper, "What happened to the future of work?", Mr Spier said the products of modern science, electronics, bio-technology and integrated information systems were transforming society and its activities.

The traditionally more inert social, economic and political institutions were unable to absorb the avalanche of novelty at the speed at which it was pouring on to the market.

## TRANSFORMATION

"Our speed of innovation is not matched by the speed in which we can absorb the new tools in our outdated systems and institutions.

"What we are witnessing is a fundamental transformation of all our institutions because the old ones do not foot the bill and are cracking up."

"Today, in an advanced economy, 50 percent of all jobs are related to the computer and the forecast is that this will be 70 percent by the year 2000. Yet we see a major slump in the computer industry, with Silicon Valley in trouble, the giants retrenching and the so-called service industries declining in

most economies."

What complicated the process, he said, was that the developed and developing nations were at different stages of the transformation process.

While the advanced nations were in the first stages of an emergent post-industrial society, in which whole industries and categories of employment were being made obsolete, most developing nations were battling to employ their burgeoning millions through the process of industrialisation.

This urge to modernise their economies had thrown them into an endemic debt situation from which they were unlikely to emerge except by default. Such a massive default would destroy the monetary system. To some Swiss bankers, such a collapse was not a matter of if, but when.

In the developed world, high unemployment levels persisted with only a remote relationship to what was happening in the economy.

In the Netherlands, 150 000 with academic qualifications could not find work. In the UK, being young and black meant no job. In the US, most jobs were created by the 800 000 new small businesses which started up each year.

Mr Spier said that in the next 20 years, more than 2 000 million would want work.

South Africa had both problems. An advanced sector reluctant to go flat out on modernisation because of the social pressures of massive unemployment and a retarded sector, in which some 30 percent of the total population did not participate in the economy.

SOUTH AFRICA

STANDARD WARNING ON REDUCING INFLATION

Johannesburg THE CITIZEN in English 8 Aug 85 p 21

[Article by Madden Cole]

[Text]

SOUTH AFRICA possibly now has its last chance to meaningfully reduce inflation and decisions taken in the next 12 months will result in it becoming a relatively low inflation country or one which parallels most developing countries, says the latest edition of the Standard Bank Review.

Pointing out that even with the severity of the circumstances in the domestic sector of the economy it would be unwise to attempt deficit spending as a means of economic stimulation, the review suggests other options be explored.

It suggests that one option, a cut in GST, potentially a significant supply-side stimulant, can now be considered.

Substantial surpluses of the Government's tax take relative to amounts actually budgeted for, makes a move of this nature not only possible but also desirable, the review says.

All indications point to overall Government revenue at present tax rates

being comfortably above the amount budgeted for the full year.

A reduction of GST to 10 percent, which would cost the Exchequer approximately R120-million a month, would not only immediately benefit personal expenditure, thereby boosting economic activity, but would also have a beneficial effect on the Consumer Price Index, the report says.

Another option which now hinges on the recovery of the rand is a cut in the fuel price. In January the Government had indicated that oil companies would break even at an exchange rate of 46 US cents to the rand and with the softening of the dollar oil prices, this break-even point must be lower now, the review says.

The review points out that if credit lines of international banks were to be significantly curtailed, South Africa would be placed in a serious situation as it cannot pay in one year a net \$12-billion of maturing credits.

Although the Reserve Bank is able to mount gold swops and is in a pos-

ition to obtain substantial assistance from other Central Banks under the auspices of the BIS or from the IMF, the review feels that resorting to these measures would be a extreme step, and unheard of in the case of a credit-worthy country such as South Africa.

It feels too that with the underlying soundness of the current account of the balance of payments and that not only is the country's foreign debt being serviced comfortably, but also being reduced gradually, it should be possible to contain the current crisis.

Any need for real emergency measures should therefore pass before long.

CSO: 3400/864

SOUTH AFRICA

## ELECTRICAL UNIONS MERGE AFTER TWO YEARS TALKS

Johannesburg THE CITIZEN in English 8 Aug 85 p 10

[Text]

THE final decision to merge the Electrical and Allied Trade Union of South Africa with the Electrical and Allied Workers Union of South Africa was passed recently.

The merger means a change in name to the Electrical and Allied Workers Trade Union of South Africa and it constitutes a combination of the Coloured, Indian and Black branches of the Federation of Electrical Trade Unions of South Africa.

### Decision

Mr Tommy Oliphant, secretary to the new trade union, said that the decision to try and merge the two branches was taken two years ago and involves workers in electrical engineering,

electronics, telecommunications and electrical contracting agencies.

"We are assuming a non-racial composition of branches throughout South Africa and we are represented in most major electrical industries. The members were aware of the decision and the committee received an overwhelming mandate to go ahead with our plans," he said.

He said the new union has more than 10 000 members and despite retrenchment and closing down of businesses, the membership was growing.

Mr Oliphant said the union was trying for affiliation with the International Metal Workers Federation (IMF) and had recently returned from a conference in Tokyo to discuss the possibility.

CSO: 3400/864

SOUTH AFRICA

## STEEL PRICES RISE AS IMPORT CURBS END

Johannesburg SUNDAY TIMES [Business] in English 28 Jul 85 pp 1, 3

[Article by Don Robertson]

[Text]

**STEEL producers have reacted to Government moves to free the industry by increasing their prices.**

Trade and Industry Minister Dawie de Villiers announced on Thursday that quantitative import controls on primary steel products would be withdrawn and replaced by tariffs.

Dr de Villiers said the action was intended to encourage competition and price flexibility among producers.

### **Below 10%**

But major producers, among them Iscor, announced that from Friday the price of a large number of products would be increased.

The SA Rolled Steel Producers Co-ordination Council, which represents the nine steel producers, will study the position and may take action to enable it to face the threat of imports.

Iscor, which supplies about 75% of South Africa's requirements, was the first to announce a price rise covering a wide range of its products. Price rises differ according to product, but the average increase is thought to be below 10%.

Iscor and the authorities usually agree on prices increase at this time of the year

### **Coastal users**

The Government move effectively abolishes price control, and steel prices will move in accordance with market forces without interference from the authorities, says Floors Kotzee, chairman of the SA Rolled Steel Producers Co-ordinating Association.

Bill Hayward, executive director of the National Association of Automotive Component and Allied Manufacturers (Naacom), says users at the coast, such as component and motor manufacturers, will benefit most from the freeing of imports.

Naacom is gathering information to compare the price of SA steel and imports.

By importing steel, coastal manufacturers will save on double transport costs and will no longer have to take steel to their plants and the finished product back to the Reef.

However, some component manufacturers are able to import steel for production of finished products and have these regarded as local content.

Steel producers are, however, worried that profitability could be affected unless the import tariffs are sufficiently flexible to prevent dumping.

29 August 1985

SOUTH AFRICA

## PLUNGE IN GOLD SHARE, OTHER PRICES ASSESSED

Johannesburg BUSINESS DAY in English 29 Jul 85 p 6

[Editorial: "Will the Slide Go On?"]

[Text]

**T**he first thing that businessmen are going to want to know this morning is whether the plunge in gold share and other prices towards the end of last week is showing signs of continuing.

For once it is unlikely to be mainly the price of gold to which they will turn for guidance. Nor will it be the level of township violence as much as developments in the diplomatic wrangle.

Fortunately, diplomats don't move markets for long. Nor for that matter do clergymen. But the plain fact is that considering the noise being made in diplomatic circles, among clergymen, in foreign newspapers and on television abroad about the state of affairs here, the reduction in the prices of gold and other shares, while unnerving, should not be regarded as a disaster.

The stock market has not "collapsed" as one of the Sunday funnies said in Johannesburg yesterday nor has the experience been "traumatic". But if it had been, the newspaper was wrong to add that this should "not be interpreted too pessimistically."

What happened last week was largely an over-reaction by local importers who expected the rand cost of their goods to soar. But while the rand did weaken it recovered some although not all of its value before the markets closed on Friday.

The switching of American gold share holdings into Australian and Canadian golds had begun before last week — when it gathered pace — and is unlikely to be permanent once it becomes clear anarchy does not prevail here and as gold share price yields there tumble.

The important thing is that the international price of the rand took the strain of these developments, enabling the economy to adjust to changed circumstances without a significant loss of reserves.

The rand may well decline again this morning if selling on the stock market continues and because it takes some days for last week's transactions to be settled. But at some lower price, that process will automatically be reversed as buyers perceive the price equating the risk.

Nor is all this occurring against a background of economic weakness. The current account of the balance of payments is strong.

There are some political and diplomatic arguments that could still depress the rand. But there are, in our opinion, stronger economic ones that its value should at worst be maintained if not improved. So it is very important now that sensible economic policies continue to be applied here.

There are also welcome signs that the unrest is beginning to subside. Of course, it may not continue to do so and what the authorities are pleased to call "normality" may not be sustainable. But the important thing is that progress is being made that should enable a return to the path of reform.

How long it will take to persuade foreign investors to return is anyone's guess. Our view is that it could be relatively soon, provided apartheid does not once more become a political highlight in the United States. Perhaps, therefore, some diplomatic restraint from Pretoria could in the weeks ahead actually be measured in terms of rands and cents.

CSO: 3400/864



SOUTH AFRICA

## COAST STEELMEN UPSET OVER NEW TARIFF RULES

Johannesburg BUSINESS DAY in English 1 Aug 85 p 4

[Article by Chris Cairncross]

[Text]

COMPANIES in the secondary-steel industry in the Cape have rapidly become disillusioned by the way the new tariff control covering steel imports has been structured.

Far from encouraging greater competition and more flexible pricing among local steel-producers, the reality is that the system still enables domestic steel prices to be kept at unrealistic levels.

Using the domestic price as a trigger, the formula duty that is subsequently set effectively creates a prohibitive cost obstacle to coast-based fabricators seeking cheaper raw material from outside SA.

The new tariff structure still remains substantially in favour of the rolled-steel producers and is disadvantageous to secondary industry in the Cape, or elsewhere along the coast, complained Robin Bosomworth, MD of a rod and wiremaking plant in Cape Town.

Other secondary manufacturers in the Cape agreed that the straight 5% duty applied with the lifting of quantitative import controls was harmless. According to one calculation, the domestic price being charged for wire rod in the Cape is about R510 a ton.

This meant that, applying the formula duty, the trigger price for manufacturers attempting to source their raw material elsewhere would be about R650 a ton.

This is in sharp contrast to the R400 a ton at which producers like Iscor are said to be pricing exports.

Steel producers were on Friday granted an immediate 20% price increase for certain rolled products that was R50-a-ton higher than originally applied, Bosomworth claimed, adding that "this has given the mills a licence to make a killing".

CSO: 3400/864

SOUTH AFRICA

## SUGAR, COAL INDUSTRIES IN SYN-FUEL RACE

Johannesburg SUNDAY TIMES [Business] in English 28 Jul 85 p 26

[Article by Don Robertson]

[Text]

**SOUTH Africa could soon be wallowing in a lake of synthetic fuels.**

The sugar industry wants to convert its surplus into ethanol and AECI will present a feasibility study to the authorities in October detailing plans for a R2-billion coal-based fuel plant.

The production of synfuel from the Mossel Bay gas find is being studied. Gencor, which is still looking at the possibility of a fuel-from-coal plant in the Northern Transvaal, is also investigating the extraction of oil from torbanite shales.

### Environment

The chairman of the Cane Growers Association, Tony Ardington, says: "We advocate most strongly that the Government should make urgent preparations to facilitate the viable production of ethanol from sugar cane in the interests of the environment, strategic fuel sources and the sugar industry."

The South African Sugar Association, which is collating the activities of cane growers and millers, has rejuvenated its ethanol committee. It is studying ethanol production.

Ethanol is said to be an ideal replacement for tetra-ethyl lead which is added to petrol to improve its octane rating. American experience has shown that ethanol is cheaper than lead and paying for oil with high proportions of light fractions or a more sophisticated refining pro-

cess.

However, the use of ethanol in South African fuel would gain added importance as it would come from a renewable resource.

### More jobs

Mr Ardington says: "It is dependent neither on foreign sources nor heavy capital investment; and more important, it would be labour intensive."

Peter Sale, general manager of the Sugar Association, is unable to say much about the industry's plans because of a possible clash with "vested interests".

But he says the conversion of about 200 000 tons of sugar to ethanol would be sufficient to meet Natal's annual needs. The sugar crop in the past season was a record 2,3-million tons. After meeting domestic needs, there was a surplus of about 1-million tons.

The proven conversion process is not expensive in relation to the investment in sugar cane. Plants could be built at each of the 16 sugar mills.

### Efficient

AECI began its synfuel development programme four years ago, and is on the brink of submitting a report to the Government. A decision is expected early next year.

The process involves the conversion of methanol to diesel and petrol and has been successfully tested, using a zeolite catalysts developed by Mobil. The process

has been upgraded and a commercial plant has been completed.

Lincoln Partidge, research and development manager at AECL, says the process using methanol produced from coal on a large scale is potentially more efficient than the existing coal to synthetic fuel method.

AECL is studying the cost of the project, the quality of the diesel and the petrol produced and their marketing and distribution.

Anglo American Coal Corporation is carrying out a work study for a coal mine for the proposed plant. Lurgi gasifiers will be used for the feasibility study. The expected coal consumption is about 5-million tons annually.

It is planned to supply the fuel to oil companies.

CSO: 3400/864

SOUTH AFRICA

## FAST FOOD INDUSTRY PLANS YEAR OF BOLD EXPANSION

Johannesburg BUSINESS DAY in English 29 Jul 85 p 4

[Article by Fred Stiglingh]

[Text]

THE local fast food industry, worth an estimated R300m a year, is alive and cooking, with major chains planning more than 100 new outlets over the next 12 months.

The traditional hamburger, celebrating its centenary in America next week, has become part of South African snack fare since Wimpy declared itself the "home of the hamburger" in the Sixties.

But the market has become specialised, sophisticated and — need one say it — very competitive as variations on good ideas are snapped up and produced at speed.

Conquering the black market has become an important aspiration over the past five years, but fast food operators are careful to point out that target market details include specific income and age groups, never colour of customer. Most are adamant that, given government go-ahead or not, all customers will be served, regardless of race.

Outlets not already trading in black areas are actively investigating the possibilities of black franchisees.

Some controversy usually sur-

rounds the subject of franchising, but from the individual's point of view, benefits are numerous.

Statistics show that out of all private fast food ventures up to 90% go under in the first five years.


Benefits of buying into a franchise include the strength of the brand name, the tested, standardised food formula, buying power, corporate advertising, and company back-up and training.

For the franchisor, main benefits are on-going expansion with less capital involvement.

But most chains like to have a certain percentage of outlets as company-run units, both to keep in touch with street-level trading as well as, in certain cases, to run some outlets as training flagships.

Franchises don't come cheap. Fees vary from R7 500 (Mr Rooster's), to R15 000 for a MacMunch franchise, and individual operators can expect to fork out up to R165 000 for the total investment.

On top of that come royalties, paid



FAST FOOD OUTLETS	ANNUAL TURNOVER	NUMBER OF BRANCHES
KENTUCKY	R75m	170
WIMPY	R60m	160
JUICY	R18m	85
CAPTAIN DOREGO	R15m	42
MR. ROOSTER'S	R8m	29
MAC MUNCH	R4m	11

to the franchisor monthly, and usually in the region of 5%. In addition, corporate national and regional advertising fees can be anywhere up to an extra 5%.

Even if you have the money, it is not simply a matter of walking away as a new fast food operator, as the trend is towards stricter screening of applicants.

Says Vincent Hays, MD of Wimpy Restaurants, an Anglovaal subsidiary: "The franchisee must fit the mould for the hospitality business.

"They have to work long and unsociable hours, and their personality must suit this."

Wimpy has doubled its training time from one to two weeks and this is followed by on-going in-store training and seminars throughout the year.

In line with stepped-up back-up and contact with franchisees, Wimpy has doubled their number of representatives over the past few years and introduced a marketing council. Representatives are elected as voice-pieces for franchisees from each of 10 designated areas nationally.

The chain has also streamlined operations by trimming the number of outlets from 300, 10 years back, to 160. This includes one in Swaziland and one in Bophuthatswana.

High pedestrian traffic areas remain prime sites for any fast food outlet.

This means, strictly speaking, places such as Hillbrow and central Johannesburg should by now be overpopulated with operators, but spokesmen for the major chains are not concerned. There always seems to be room for one more.

CSO: 3400/864

SOUTH AFRICA

## PACKAGING INDUSTRY REFLECTS FALL IN SALES

Johannesburg BUSINESS DAY in English 29 Jul 85 p 3

[Article by Fred Stiglingh]

[Text]

THE packaging industry is proving to be a sad barometer of the recession and political turmoil.

With retail spending drastically down, main dealers are resorting to getting rid of stocks at an alarming rate to reduce inventories. This is bruising packaging companies.

The industry is further affected by stunted deliveries to troubled townships. Products delivered in cartons, such as sorghum beer and milk, and bottled products, are particularly hard hit.

Consol group MD Piet Neethling euphemistically describes the market as soft and estimates that volumes are 10% down across the board.

"We are finding it difficult if not impossible to go much lower than the targets we set ourselves for the next financial year, but it seems we'll have to."

With his company heavily involved in beverage containers, Neethling is concerned with what he sees as a negative trend in soft drinks and lack of growth in beer sales.

A certain indication of this, says Neethling, is that the pool of returnable bottles has hardly needed replenishment.

A spokesman for SA Breweries confirms that beer sales are static, but emphasises that it is in line with what the company expects "of a lousy economy".

He says that it is difficult to find a measure of the effect of township unrest apart from general recessionary effects.

Neethling says that overstocking on the part of retailers most likely started at the end of last year, and that the getting rid of stocks was marked in January.

"I don't know how much further they

can get down to minimum stocks but this has affected us and, in turn, our suppliers of raw materials-paper, plastic and glass."

Feedback from Consol's main customers indicates difficulties in getting delivery vehicles into trouble areas. Drivers sometimes resort to offloading on the outskirts from where collections are made.

"Major stock-outs occur in township shops," says Neethling, "and consumption falls."

Kohler chief executive Ian Willis estimates volumes on a broad spectrum to be down by 10%-15%, with extremes of 25%.

Hardest hit is durable packaging, accounting for about 12% of the company's volume.

He adds that the recession has affected the various packaging sections in different ways, and that the agricultural sector was doing well with SA's prolific fruit exports.

"At the opposite end is cement packaging, which is at a low. The cement industry is down by almost 25%."

Nampak MD Derek Jacobs says that customers are also finding difficulty in distributing products in some areas, and that supermarket sales have affected his company.

He stresses, however, that one should not single out the packaging industry as being particularly hard hit, and that it merely reflects what other parts of the economy are experiencing.

The retail slump has affected Nampak's supply of supermarket carrier bags, and other major products.

29 August 1985

SOUTH AFRICA

## MEAT IMPORTS TO CONTINUE, SAYS DU TOIT

Johannesburg BUSINESS DAY in English 31 Jul 85 p 3

[Article by Gerald Reilly]

[Text]

SOUTH AFRICA had been a net importer of meat for decades, and the situation would not change, Meat Board chairman P R Du Toit said in Pretoria yesterday.

He was speaking at the opening of a meat science centre at Irene presented to the Department of Agriculture by the board at a cost of R3.8m.

Du Toit said the periodic surplus was mainly due to enforced marketing caused by drought and farmers' cash-flow problems.

He stressed, however, that the Meat Board's beef stocks were less than during previous periods of enforced marketing.

Du Toit said South Africa would remain dependent on adequate supplies of imported meat but that in times like these efforts should be made to reduce imports.

He said that if beef carcass prices were to drop to net export parity for only half a year it would cost the country's cattle farmers R250m.

Du Toit claimed red meat con-

sumption was actually increasing with total consumption having risen by 25% to 1,017-million tons in the past 10 years.

From 1982 to 1984 red meat consumption had increased by as much as 9%. Although a decline was forecast in the gross per capita consumption of red meat in the long term this would be solely because of a slower expansion in production.

On the surplus controversy, Du Toit said the Board did at times deserve criticism, but that it should be remembered that, while there was controversy on the board's stabilisation and orderly marketing arrangements, there were other important functions which the board pursued — including the promotion of consumption and marketing and the granting of research assistance to improve production, processing and storage.

CSO: 3400/864

SOUTH AFRICA

## BUILDERS CUT TOWNSHIP OPERATIONS

Johannesburg SUNDAY TIMES [Business] in English 28 Jul 85 p 5

[Article by Kerry Clarke]

[Text]

**TOWNSHIP unrest has forced several large house-builders to curtail their operations.**

Schachat Cullum builds nearly as many houses for blacks as it does for whites. It is finding it difficult to continue operating in areas of unrest.

Gough Cooper has slowed down or stopped its operations in townships. It is particularly difficult for it to work in parts of Soweto.

Managing director Hans Perner says: "There are indications that things are getting back to normal and it is possible we will return to business next week."

### Slack

National Association of Home Builders executive director Johan Grotsius says the unrest will delay the entry of many builders to the black market. This business was attractive to the industry as a means of taking up some of the slack in other markets.

"Some of our members have had problems in the townships, although it has been localised. Certain areas like Protea North in Soweto, have not been affected.

"In areas where there has been unrest, builders have had difficulty in obtaining supervisory labour and in safeguarding materials.

"Many of our members

have moved into black housing to supplement their turnover. They see it as an area with good potential, but it has been bedevilled by problems."

### Plans fall

Builders have been knocked by the downturn in the total housing market. The number of house plans passed fell by 20% in the first half of 1985.

Schachat Cullum marketing director Adrian Dart says the number of houses built lags behind plans passed. The continuing decline in the number of plans passed means that an upturn for the building industry is still some time away.

Mr Grotsius believes there the rate of decline in plans passed is slowing. Builders are receiving an increasing number of inquiries, but it is difficult for them to clinch a deal.

Most builders are offering financial help to attract buyers. They are also building smaller, cheaper houses.

Mr Dart says the average value of houses built in the past nine months was R60 000.

"Margins are being squeezed, and we have had to increase volumes to make up for the increased cost of sales. We had a 10% increase in sales in the first six months of this year compared with the last six months of 1984."



SOUTH AFRICA

## ASBESTOS PRODUCERS IMPROVE PERFORMANCE

Johannesburg THE CITIZEN in English 8 Aug 85 p 28

[Article by Daan de Kock]

[Text] MSAULI, one of the asbestos producers in the Gencor group, did extremely well in the six months ended June 1985 after it suffered a loss for the year ended December 1984, but, as expected, no interim dividend has been declared.

The mine suffered an operating loss in 1984 after it had been flooded by cyclone Domoina.

Attributable income for the six months rose to R2,6-million (1984-R896 000) on a turnover of R16,3-million (R10,6-million).

Earnings a share for the six months increased to 41c a share from 13,9c a share the corresponding period the previous year.

The directors say no interim dividend has been declared, in line with the

statement in the 1984 annual report that the requirements of a substantial capital expenditure programme would inhibit the availability of cash for dividend payments.

The capex programme is being financed by a long-term loan facility of up to R6-million provided by Gencor. The amount owing under this facility at the half year end was R1,2-million, and the directors note that no dividends will be paid until the loan has been repaid.

The bulk of the capex programme will be spent on a shaft-sinking programme designed to improve ore supply.

The directors say the price of Msauli fibre remained under pressure, but the company benefited by the weaker rand.

Gefco Msauli's stable-

mate, also had a good six months.

The company has announced an attributable profit of R8,1-million against R6,1-million the corresponding period the previous year. This is equal to earnings of 22,6c (17c) a share.

Turnover for the six months amounted to R57-million — a fraction higher than the R58,6-million in the corresponding period.

The mine kept the interim dividend unchanged at 10c a share.

Gefco also benefited from the weaker rand.

Stocks of unsold fibre are still building up, and if the sales volume forecast for the second half of the year do not materialise, a further curtailment of production may become necessary, the directors say.

CSO: 3400/864

SOUTH AFRICA

TOURISM DROP FEARED THIS YEAR

Johannesburg SUNDAY TIMES [Business] in English 28 Jul 85 p 5

[Article by Kerry Clarke]

[Text]

**CIVIL** unrest and the state of emergency threaten South Africa's tourist industry.

Some predict a 25% decline in the number of foreign tourists this year.

The outlook was bright early this year as a weak rand made SA a bargain destination.

But increasing unrest placed a damper on arrivals as early as April, and the outlook for the peak season from September to November is bleak.

### Tremendous

The SA Tourism and Safari Association (Satsa) expected a bumper 1985-1986 because of the weak rand and packages offered by SA Airways. But it says it will take a considerable marketing effort merely to keep the number of visitors from declining.

Otto Stehlik, managing director of Protea Hotels & Inns, says: "There has been a tremendous decline in incoming tourism in the past three months.

"In May last year we had 1 000 Americans at our Heerengracht Hotel in Cape Town. This May there were only eight.

### Low profile

"February and March were good months, especially for tourism from Europe. Their numbers rose by 14% over the previous year. I haven't seen so many Germans here for a long time.

"But from April the position changed.

"We would be wasting our money if we put more into advertising abroad. For every column centimetre of advertising we pay for in the US and Europe, there are 100 column centimetres of free, front-page editorial against SA.

"We have proof of this. The expensive advertising campaign in the US last November and December (sponsored by the SA Tourism Board, Southern Sun, SAA, Sun International) did not bring the desired results.

"We should keep a low profile and remain in close contact with the market place — tour operators and retailers overseas — as well as with the opinion makers, and continue to bring them to South Africa."

### Expositions

Satsa president John Rothschild says: "We are putting together a strong contingent from the SA tourism industry to attend the World Travel Market in London in December, the US International Travel Exchange in Miami in January and the Exposition in Berlin in March 1986. These three are the largest travel-trade expositions in the world.

"Many of our members are abroad now to reassure customers in our three major markets — the US, Germany and the UK."

Southern Sun marketing director Bruce Hutchison agrees that traditional ad-

vertising will not help now, and direct contact with travel agents and tour operators is the solution.

"In the short term the state of emergency will have a negative effect, especially as it is often taken out of context overseas — they don't realise that things haven't changed much in the areas they visit."

## Dispute

Mr Hutchison says Southern Sun will not be greatly affected by a decline in foreign tourism. Although about 85% of foreign tourists stay in either Southern Sun or Holiday Inn hotels, this market makes up only 10% of the group's business.

He predicts the unrest and the state of emergency could result in a 25% decline in the number of visitors — 20 000 to 25 000 people.

But an exact figure is difficult to come by. The SA Tourism Board claims 450 000 foreigners visited SA in 1984. It says they spent R900-million — about R2 000 each.

## Potential

However, most tour operators and hoteliers say the figures are inflated because they include people visiting friends and relatives, business travellers and South Africans on foreign passports.

Mr Hutchison and Mr Stehlik say the correct figure is 100 000 tourists. If each tourist spent R2 000, foreign currency earnings would be R200-million.

Mr Stehlik says figures for the past three months show that fewer foreigners will

holiday in SA in 1985.

"I don't expect more than 50 000 to 70 000 visitors to South Africa this year."

He says that once the unrest ceases the tourism industry's potential is vast.

"Countries like Zimbabwe and Kenya receive many more tourists than SA, but they don't have our attractions."

## Ignorant

Sun International marketing director Jurgen Burmeister is also optimistic.

"The state of emergency will have a negative effect, but I don't think it will necessarily be too bad."

He believes the unrest would have had a larger impact abroad had it not been for the hijacking of the TWA airliner and airline office bombs.

"The news about SA will probably have a greater effect in the US than in Europe. The Americans are more ignorant about South Africa than the Europeans. I question whether it will have a drastic impact on the European market."

Mr Burmeister says: "Sun City draws a fair number of international tourists, but taken against the size of the complex and the extent of our conference business and domestic holidays, international business comprises less than 10% of total turnover."

Although the state of emergency may have a short-term effect on tourism, the industry's long-term health depends on the success of the Government's reform programme and their ability to achieve long-term stability in SA.

SOUTH AFRICA

## JSE TO UPGRADE ITS COMPUTERS

Johannesburg BUSINESS DAY in English 2 Aug 85 p 7

[Article by Matthew White]

[Text]

**THE Johannesburg Stock Exchange has embarked on a multi-million rand programme to expand its information services over the next four years.**

Already projected is expenditure of about R12m to upgrade its computer hardware, applications systems and operations support systems.

In addition, however, the JSE is to examine the development of a traded options market later this year with the implications of 24-hour, round-the-world trading, both of which would need to be supported by computer systems.

The R12m, four-year programme already projected is designed to modernise all services and systems, including:

- ☐ Increasing the function content of all services to brokers, their clients and the public — such as clearing and settlement systems, processing clients' orders, client settlement, accounting and portfolio valuation and disseminating market information;

- ☐ Emphasising on-line and real-time (virtually instantaneous response) facilities;

- ☐ Establishing facilities through which brokers will be able to provide personalised services to clients.

Darrell Till, data processing manager of the JSE, said this will be done by redeveloping existing systems and developing new systems.

"The exchange is determined to hoist itself into the forefront of modern technology and to provide its users with superlative facilities," he said.

"We will be taking advantage of modern technology to ensure that the reliability and quality of the operations is maintained at the highest possible level."

Among far-reaching developments is the establishment of a national communications network linking brokers with their clients and making information available through privately-owned personal computers. Also being investigated is the possibility of running a service through Beitel.

Part of the redevelopment entails converting present systems to the more powerful MVS (multiple virtual storage) operating system.

To handle this ambitious programme, the JSE is expected to more than double its present development staff complement of 23. Some work, however, may be contracted to private companies.

CSO: 3400/864

SOUTH AFRICA

# BORDER POST WITH TRANSKEI TO BE MOVED

East London DAILY DISPATCH in English 17 Jul 85 p 1

[Text] QUEENSTOWN--The Bongolo border post near here will be moved to the actual Transkei border at Nonesi's Nek in November or December this year, the MP for Queenstown, Mr M. H. Louw, said yesterday.

He was answering questions at a meeting convened by him and attended by the Director-General of Home Affairs, Mr G. Van Zyl, the chief immigration officer in charge of the Kei Bridge, Braam Nek and Bongolo border posts, Mr A. J. Stap, and businessmen and farmers affected by the siting of the post 7 km from the border at Nonesi's Nek.

Mr Van Zyl said at the time the government thought it best to situate the post at Bongolo to save money by serving traffic on both roads leading into Transkei.

"We need a minimum of 18 people to man the border post, so it does cost money," he said.

Mr Van Zyl thanked two farmers, Mr Follie Beukes and Mr J. Hodgkiss, for offering land, water and electricity for the siting of the new post.

He said the department was still not sure how to handle the Dordrecht road and was investigating the idea of mobile roadblocks. It was also investigating the siting of a passport office in Queenstown as there were other "uncontrolled" roads leading from Transkei.

On the question of the inconvenience farmers endured because of the unavailability of travel documents for South African blacks, Mr Van Zyl said the problem could be negotiated with the Ciskei and Transkei governments in regard to their citizens, but the question of South African blacks was more complex.

He said 90 per cent of the blacks living and working in the Queenstown area were Transkeian and Ciskeian Khosa speaking citizens who were not acknowledged by the authorities because "the more people they can pass on to South Africa, the more it helps them".

Mr Van Zyl said a high-powered cabinet committee chaired by the Minister of Constitutional Development, Mr Chris Heunis, was trying to solve the problem of citizenship, which involved the whole problem of influx control.

He said it was a burning question whether the government should issue blacks with emergency travel documents on the strength of which they could regard themselves as South African citizens, which they might not be.

Mr Van Zyl said that if the problem of citizenship could be sorted out, South African blacks and whites might be issued with uniform identity books from July 1 next year.

Mr Louw asked Mr Van Zyl and Mr J. Nel of the Department of Cooperation and Development whether they could not find a temporary solution to cut red-tape and help farmers who employed blacks.

Mr Nel said he wrote hundreds of temporary letters giving people permission to cross the border, but this was allowed only once.

A local undertaker, Mr Edric Russel, said the real problem was that most blacks in Queenstown were born here and were refused foreign citizenship.

He said problems were experienced on the South African side and not the Transkeian or Ciskeian sides of the border posts.

"Surely you can allow someone to cross if he has a reference book, especially if he is driving his employer's vehicle or is accompanied by his employer," he said to applause.

He said he did not want to antagonise blacks by sacking them because they could not get documents.

Mr Van Zyl said he and Mr Stap would take things further and see if a solution could be found in the shortest possible time.

Mr Stap said an average of 8 000 people a day crossed the Bongolo post in the first two weeks of July.

CSO: 3400/838

SOUTH AFRICA

PFP MEMBER WITNESSES CRADDOCK COMMUNITY LEADERS' FUNERAL

Johannesburg SUNDAY TIMES in English 28 Jul 85 p 27

[Article by Jan van Eck]

[Text]

ON Saturday morning, July 20, the little Karoo town of Cradock awakens to two totally different realities.

In the black township of Lingelihle, emotions run deep as thousands upon thousands of people pour in from all corners of the country to attend the funeral of four community leaders slain under dubious circumstances outside Port Elizabeth.

When the funeral starts, more than 40 000 people are packed into the stadium.

In the white town, which has been sealed off by the military and police, the people are preparing for an important rugby match against a visiting "coloured" team from Cape Town.

They are proud of this demonstration of "verligtheid", of reform, and cannot understand the anger, the impatience in the black township.

### Significance

You cannot help feeling sad at the realisation of how incredibly wide the divide between these communities is, and you wonder if it will ever be bridged.

On your way to the stadium where the burial service will take place, you notice the army and police presence on top of a hill near the white town.

They will stay there all day — keeping watch, looking on.

You realise that most of white SA will, just like them, merely be looking on — unable or unwilling to understand the significance of what is happening.

To get too close might be dangerous for some of the stereotypes held by some whites about what is happening in the black communities.

It would be easy to merely remember this funeral by the prominent display of the communist flag.

It would be easy to explain all the anger, all the hatred away by blaming it on the communists.

Easy, yes, but also very shortsighted.

Shortsighted because it prevents us as whites from coming to grips with the terrible anger in the black communities and the real reasons for this anger.

### Shock

As you listen to speech upon speech, and as you listen to what is being said around you, you realise with a shock that this community sees itself in a state of civil war against the Government and its law enforcement "instruments", the SAP and SADF.

You realise why blacks who collaborate with the authorities are seen and treated as traitors — as in time of war.

You observe the fervour with which the multitude chant slogans such as "Amandla!" and "Viva!" and you listen as 40 000 voices, from four-year-olds to 90-year-olds, in complete unison, sing freedom songs with

themes such as "We are soldiers for Mandela".

You realise that nothing but a really dramatic gesture, such as the unconditional release of Nelson Mandela, will halt this growing radicalisation and ward off a violent and bloody confrontation.

At the same time you take heart at the fact that neither the speakers nor the audience show any anti-white sentiments.

You marvel at the way a purely white Black Sash and its eight-woman delegation are received with open arms.

## God

You realise that reconciliation is possible.

You take courage from the way numerous speakers profess their belief in Christianity.

You take heart at the way 40 000 voices agree loudly when Allan Boesak and Beyers Naude state that God is the real supporter and liberator of the oppressed.

You remember the incredibly moving prayers you heard the previous night during the all-night vigils at the homes of the widows.

As you, as a lone — not

lonely — white, make your way through the thousands of mourners thronging the streets of Lingelihle, you know that the announcement of a State of Emergency would drive these black South Africans, united in their desire for total freedom, merely further along the road towards confrontation.

## Commitment

As you leave Cradock you know that you will never forget the anger, the total commitment to liberation — even by violent means should peaceful methods fail.

Although *they* may not win, you know that the whites will definitely lose.

But you also remember the incredible warmth liberally shown towards those who have identified themselves with the struggle for an equal, nonracial and just South Africa.

While the person serving at a roadhouse outside Cradock comments on the way the funeral has increased her business, you hope not all white South Africans will be as untouched by this event.

One can but hope!

CSO: 3400/851



SOUTH AFRICA

WEAKER NP SEEN AS BEING IN INTERESTS OF ALL REFORMERS

Johannesburg SUNDAY TIMES in English 28 Jul 85 p 27

[Article by Robert Schrire, head of department of political studies, University of Cape Town]

[Text]

FOR several years, South Africans have been overwhelmed by a barrage of reports and commissions diagnosing their political problems and providing outlines of possible solutions.

The Buthelezi and Quail commissions, the reports of the President's Council, and most recently, the detailed findings of the HSRC, all point in the direction of an emerging consensus.

Although the details differ, often in important respects, the broad direction of change is reasonably clear:

The decentralisation of power to regional authorities and councils, full and equal participation for all South Africans, power-sharing, the elimination of race as the determining factor in political and socio-economic arrangements, and limited power at the centre with entrenched legal rights and protections.

### Gloom

Yet despite this growing agreement on desirable ends, which would have been unthinkable 10 years ago, the national mood remains dominated by gloom.

The black townships are smouldering, the brown and Indian communities remain alienated, and foreign pressures are increasing.

To an increasing extent the cautious overtures of the Government are being rejected by a wide range of black, brown and radical white spokesmen.

Indeed, even those policies of the Government which are clearly reformist in intent and consequence are viewed with suspicion or are discounted in advance.

What is the missing element in the reform mix? Why have the hopes of so many well-meaning Government verligtes been dashed?

Put simply, the Government strategy of unilateral and controlled reform hasn't worked, and will not work because it is not supported by a broad-based multi-racial coalition.

Too many groups have had their interests seriously harmed for too long by the present National Party.

The National Party, identified with group areas, influx control, detention without trial, population classification, job reservation and innumerable other discriminatory measures, has simply not been able to successfully adopt the mantle of the reformer and convince those who are not white of its bona fides.

This perception in turn, has created the central dilemma in black politics.

On the one hand, it is recognised that the white-controlled Government remains the ruler of the land and retains the power to change or not to change.

On the other, it is recognised that to enter negotiation with this Government under present circumstances is the kiss of death.

To negotiate is to risk the dramatic erosion of community support, as the Labour Party has discovered to its cost.

To feel unable to negotiate in the present context and thereby fail to deliver the goods is to risk irrelevance and the gradual ero-

sion of support.

Both the UDF and Chief Buthe-lezi are keenly aware of this dilemma.

Reform entails a process whereby the political, social and economic institutions and practices become acceptable to the major communities and groups.

And genuine acceptance can never be attained as long as the National Party Government remains determined to unilaterally determine the pace, scope and form of any reforms.

The missing link is thus the absence of inter-group co-operation in the search for a new society.

The fundamental barrier to reform remains the powerful grip which the National Party retains over South Africa.

Even if we accept the reformist bona fides of some of its leaders, it cannot shed its inheritance. Negotiation, not consultation or arbitrary decision-making, must be the order of the day.

However, the prospects are not good at present. Political parties only seek allies when they are too weak to rule unilaterally.

## Tragedy

And the NP, enjoying a secure foundation of white support and a powerful police and military capacity to contain its enemies, does not as yet need to seek allies.

Its hold on government is relatively secure, although its power to legitimise reform is inadequate.

The tragedy of contemporary politics is that a reformist NP is an inadequate instrument for successful reform. Yet without the NP, reform under present circumstances is unthinkable.

On the one hand, it is too firmly entrenched to be removed by force or by votes; on the other, it is a captive of its legacy of hurt and hate.

Reform will not succeed unless a broad-based reform movement develops which can either wrest power from the hands of the NP or can force it to the negotiating table.

And the most effective way to accomplish this will be for the white electorate to erode its present strength and to force it to seek reform-orientated allies.

A weaker, not a stronger NP, is in the interests of all reformers, not least, paradoxically, those within the present Nationalist leadership.

SOUTH AFRICA

## ANOTHER VIEW ON MEANING OF EMERGENCY DECLARATION

Johannesburg SUNDAY TIMES in English 28 Jul 85 p 26

[Article by Ken Owen]

[Text]

**FAR BE** it from me to suspect President Botha of restraint — the man's temper is notorious — but there's something odd about the State of Emergency.

For one thing, the emergency powers conferred on the police under the Public Safety Act are no more draconian — to use a currently popular adjective — than the powers which their senior officers enjoy under the Police Act and the Internal Security Act in the normal course of South African life. Indeed, they are less so.

Under Section 29 of the Internal Security Act the police can, provided an officer of at least the rank of lieutenant-colonel agrees, imprison any person indefinitely for the purposes of interrogation. Provided a magistrate agrees, they can detain him for 14 days simply to combat a state of unrest.

Under Section 28 they may detain him indefinitely, provided the Minister of Law and Order thinks he endangers the maintenance of law. People have been held under this law for 330 days or longer.

Once in three years, the Government must publish a consolidated list of people detained under Section 28, but it need not announce the names of detainees. Listed people may not be quoted.

### Monument

This legislation is a direct descendant of the notorious 90-day

detention law passed by Mr John Vorster in 1964. Ninety days stretched to 180 days, which became consecutive periods of 180 days, and finally spawned indefinite detention. There is no better monument to the memory of John Vorster — the leader of the Ossewabrandwag who was himself detained during the emergency known colloquially as the Second World War — than this law.

The Police Act falls into the same category. It permits searches without warrants — the absolute right of power to search, as Mr Louis le Grange put it when he steered the most recent amendments through Parliament — and generally allows the police many liberties that Western parliamentarians would question. It, too, is a linear descendant of Mr Vorster's measures to deal with the conditions that followed Sharpeville.

### Report

The Public Safety Act invoked by President Botha has a different and more respectable lineage. It dates from 1953, the early days of National Party rule when the rule of law was still relatively intact, and although it has been amended since then, it still preserves the spirit of a more civilised time.

Among other things, it requires the Minister to report to Parliament, within 14 days of the start of the next session, the names of any people held for longer than 30 days in terms of

the emergency regulations.

That is more than Mr le Grange was willing, in the debate on the Police Act, to accept as a minimum necessary safeguard in times of non-emergency, if that is the proper word.

Moreover, the emergency regulations must, in terms of the Public Safety Act, be laid before Parliament and, unless they are approved by Parliament, must lapse. The accountability of the Government to Parliament for its handling of the emergency is thus preserved; if another Biko case occurs, Mr le Grange will answer to Parliament for it.

Nobody pretends that the provisions of the Public Safety Act are desirable. The question, though, is whether they are necessary, given the powers which President Botha can in any event wield?

The short answer is: John Vorster would not have bothered with the Public Safety Act. When he could have used it, he did not. Instead, he entrenched in our law a primitive, fascist system.

Thus he laid the basis for the endless damage to South Africa that began, within months, with the death of Looksmart Ngudle in a cell in Cape Town and continued until a battered medical profession a few weeks ago condemned the medical treatment received by Steve Biko.

Therefore it is, at the least, notable that President Botha (who has never manifested much distaste for the methods of John Vorster) has turned to the 1953 legislation to deal with the current emergency. It suggests that his dramatic declaration of a State of Emergency was as much a political as a security measure.

The day-to-day handling of the emergency tends to confirm this interpretation.

Whereas the ordinary powers of the police apply nationwide, the emergency powers have been confined to 36 carefully-selected districts, and the Government has resisted so far the temptation to add on every district where a black lad hurls a stone.

The emergency regulations permit the Commissioner of Police to impose what amounts to outright censorship; so far, General Johan Coetsee has satisfied himself with a rather plaintive plea to the Press to "tone down"

its coverage of the emergency, but refrained from coercion.

The emergency regulations permit the use of the army on a large scale to round up and imprison thousands, if necessary, and to keep them in detention for years, as Mr Ian Smith kept detainees at Gonakudzingua. (Where? Robben Island is surely available, or else John Vorster's old detention centre at Koffiefontein could be quickly reconstructed.)

## Mounting

So far, the number of detainees has been mounting by hundreds, not thousands, and the police have readily named the prisoners. The numbers of people shot have increased quite sharply, from about two a day to perhaps four a day; but the figures, given the enormous potential for disaster, remain small.

In short, there may be less to the emergency than meets the eye. It makes no sense to assume emergency powers which are less severe than the ordinary law, unless the purpose is to administer a shock which might bring the country to its senses. But reform cannot continue, even according to President Botha's modest plans, in the face of violence. Mr Botha cannot survive politically if he is perceived by his own constituency to be backing down in the face of pressure.

Hence, the violence will end, or the Botha period of liberalisation, that has lasted since 1979, will end.

## Capable

If the violence subsides the State of Emergency may be lifted quite quickly (although in theory it could last for a decade) and the process of reform may be resumed almost uninterrupted.

If, of course, the State of Emergency fails to check the violence, President Botha and his allies are quite capable of kissing the entire reform programme goodbye, reverting to more-usual police methods, and screwing the cap down tight for the next decade or so.

Then he won't need the Public Safety Act. John Vorster has already given him everything he might need to return to "normal".

SOUTH AFRICA

VARIOUS SCENARIOS DESCRIBE AFTERMATH OF EMERGENCY

Johannesburg SUNDAY TIMES in English 28 Jul 85 p 27

[Article by Professor Lawrence Schlemmer, president SA Institute of Race Relations]

[Text]

**E**VEN in our politically preoccupied society, the State of Emergency requires careful contemplation by South Africans of all persuasions. Further consequences from now on demand urgent appraisal.

All else being equal, and with no new initiatives, the outcome of the present emergency could take any one of the following forms:

- A fitful return to some semblance of order in the townships and on an even slower repair of South Africa's relations with the West — until the next cycle of unrest.

- A state of continuing, but contained, turmoil in the townships, shifting from area to area under pressure from the security forces.

The German sociologist, Professor Theo Hanf, has referred to this as "war without victors", a familiar pattern in Lebanon in recent years.

- An escalation of the unrest, the erosion of economic confidence, further deterioration in our relations with the West, stiffer economic sanctions, mounting unemployment and a host of related problems.

**T**hese, in turn, could lead to either a shift to an authoritarian, right-wing garrison state, imposing law and order with an iron fist in a society with a low quality of life and a collective siege mentality, or a fragmentation of government control and administration and the emergence of right-wing or military police terror squads.

The ultimate resolution to the bloodbath might be the partition of a crippled country.

- An escalation of conflict leading to the South African Government admitting its inability to control the country and convening something like a national convention to negotiate with the black grouping most able to contain the violence.

The assumption of power of this grouping could easily be followed by open conflict between it and its black political competitors, with considerable white participation, as with Renamo in Mozambique.

- The scenario above but without the black-on-black conflict, leading to a slow reconstruction under a majority-rule government.

All these scenarios are possible. All present indications, however, are that the first two

scenarios — a slow return to temporary quiet or sustained low-level unrest — are most likely, and the last scenario least likely.

It would be exceedingly foolish, however, for the Government or its various oppositions to take any single outcome for granted.

There is one logical scenario missing from the line-up of possible outcomes mentioned above.

It is a scenario of determined, well-packaged reforms leading to the restabilisation of the country as a co-operative endeavour between white and black leaders.

It has been omitted because socio-political reform, which was so much in the air a year ago, has slipped off the agenda.

A few days ago Chief Buthe-  
lezi made the statement that President Botha and he had never been farther apart, which seems to be one telling index of the political stalemate in the country.

The shift in the Government stance, while deeply regrettable, is understandable in some ways.

Unrest and street violence do not make good negotiating partners, and governments are normally disinclined to make any concessions which would appear to reward such unrest.

The Western nations have started to shift back to a stick-without-carrot approach to South Africa, which, according to some well-placed observers, has made the Cabinet less inclined than before to accommodate external expectations.

Furthermore, some strong but under-publicised mobilisation of the far right wing to resist change and reform presents the Government with serious problems at a time when there is growing discontent among less-affluent whites because of the state of the economy.

Nevertheless, the line-up of more probable outcomes of the present emergency suggests strongly that the missing scenario has to get back on our collective agenda.

Bold action by private-sector

lobby groups and the Government is required. The declaration of a State of Emergency has in any event made it too late to worry about the danger of reform signals stimulating unrest. What could happen in the townships has already happened.

There are a number of socio-economic reforms which require urgent attention, but these are not the key issues in a search for a new basis for stability.

What is needed is to capture the imagination and co-operation of legitimate community and constituency leaders among black people, including many people who have lapsed into silence under pressure of current events.

This means that key political issues of symbolic importance have to be addressed.

A new departure must include:

- A clear and unambiguous statement about the right of all South Africans to full citizenship.

- A commitment to the principle that the foundation of "apartheid" — population registration — will be phased out and that a basis will be sought for voluntary group association, as recommended in the HSRC report on inter-group relations.

- The establishment of a high-level statutory constitutional commission which is representative of all groups, to work in close liaison with the Cabinet Committee on constitutional affairs.

- In the major metropolitan industrial regions, an immediate review of the legislation on Regional Services Councils, as a basis for making black local government more viable and legitimate in the eyes of the potential leadership in these communities.

- Commitment to the principle of a single department of education for all groups.

- Preceding all these, a clear statement of intent on the part of the Government that it is willing to negotiate a constitutional future for South Africa which will involve a form of genuine power-sharing and participation in central govern-

ment for all groups, on a basis which will afford full and acceptable protection of the interests of population minorities.

**T**he only real alternative to these principles for peace and stability is a radical partition of the country, which is not only impracticable but draws support from only a fairly small minority of whites.

A vast majority of people in all groups, whatever their present political commitments, realise the need for reasonable compromises, even though they may not express support for such compromises at the present time.

The time to embark on this course is now.

CSO: 3400/851

SOUTH AFRICA

## NEW CHAIRMAN OF EAC PROFILED

Johannesburg BUSINESS DAY in English 31 Jul 85 p 6

[Article by Harold Fridjhon]

[Text] CHANGES were made in the structure of the EAC, said Human, because the State President wanted a direct input into state thinking from representative business leaders. He felt that the former EAC was too large and unwieldy, that it was too academic in its thinking, and too loaded with people from government. What he is looking for is a clearer view of private sector thinking.

The smaller council will be more manageable and more able to examine problems, by giving closer attention to details. It was not his intention to have the council always sitting as a body discussing the details of every problem. To the contrary, he would use sub-committees to consider specific areas, and to enlist the services of experts to examine and advise.

One of the immediate issues which springs to mind was to see what could be done to bring down to a reasonable rate the degree of inflation in the economy.

This would require a specialised sub-committee under the chairmanship of a council member who would enlist the aid of experts from various disciplines. Their findings and recommendations would be considered by the council as a whole before being submitted to the State President as a recommendation.

### Pragmatic

Human intends that a large part of the council's work, particularly that which requires in-depth study and investigation will be done through specialised sub-committees, the convenors of which would be council members.

And he does not want, necessarily, a consensus view expressed by these sub-committees. He would prefer a majority

view and a minority view so that the council would be able to derive the benefit of examining both sides of a question.

Describing himself as a pragmatic businessman, he gives the impression that he would like to run the council more along the lines of a board of directors. He expects each member to come to meetings fully briefed on all aspects of the sector from which he has been appointed. Although none of the members have been appointed to represent directly the associations with which they are connected, nonetheless they have access to the facilities of a sectoral association or institution.

He gives as an example the case of Julian Ogilvie Thompson and Robin Plumbridge. These two men have not been appointed to the EAC to represent the Chamber of Mines, nor their respective groups. They have been selected, together with J C Fritz, to represent the mining industry as such. But Human expects them to make full use of the facilities and the research of the chamber, and of their own companies, when presenting a case to the council at large.

He assured me that he will be constantly on the alert for signs of any attempts by people to try to use the council for personal advantage, either for themselves or for the organisations they work for.

He expects complete objectivity from everyone with only one purpose in mind, that of the national interest. "I will not tolerate any politicking or racism. We won't have any time for that. The work load will be heavy and laborious so the only way we can get through the task ahead is to keep to fundamentals if we are to be productive."

In the old council much time was taken up by debates between people holding dia-



metrically opposed points of view, with both yielding no ground and with arguments often verging on the personal, attacking philosophies, rather than considering what is pragmatic and practical.

Human wants to try to eliminate this in the future — not that he will discourage debate. He wants debate and discussion and differences of opinion, but he wants these to be based on facts, not theories.

Facts he wants to flow into the council from every possible source — from the members themselves, from the specialist sub-committee, and from the different agencies which are in existence, such as the Manpower Commission when unemployment is being discussed, or from the Economic Advisory Service, the CSIR and others.

Human stresses that he wants an input to the council to come from organisations such as the Afrikaanse Handelsinstituut, Assocom, the FCI and Seifsa. Although they do not have direct representation on the EAC, they have members on the council and through these members they must express their viewpoints.

These organisations have a grassroots feel about what is happening throughout the country and their resources are invaluable. Human hopes that they will overcome any resentment they might feel about losing their direct representation and will make a contribution to the work of the council. In any case he hopes that their knowledge and experience will be available to the economic sub-committee when it is convened.

Undertaking the chairmanship of the EAC will be a tremendous responsibility because his leadership will determine the profile of the council and the direction which it will take. He proposes to adopt a completely pragmatic approach. The nature and the parameters of a problem will

have to be laid before the council which will then have to try to find and determine practical solutions, short-term and long-term.

"We must not lose sight of the fact that the State President is a great pragmatist and we will have to dovetail our work and our findings with his philosophy."

## Ambivalent

Human was a little ambivalent when asked whether he thought that the loss of the inter-face between the private sector and the public sector — which was an important side-benefit of the former EAC — would diminish relationships between the two sectors.

He agreed that the coming together at EAC meetings was useful and at times fruitful, but he added that AHL, Assocom and FCI frequently met top public servants who also attended the annual congresses of these organisations.

He gave the impression, throughout the interview, that he wanted to make the new EAC work effectively for the good of the country. He admitted that it was a new undertaking for him and that he would have to find his way and, having found it, lead the council forward.

He stressed again and again that the EAC would not be effective if it were an ivory tower structure, detached and remote. To work towards any practical purpose, the EAC would need the practical help and co-operation of organised commerce and industry agriculture, and all the other financial and trade associations.

He stressed that he was on a learning curve and that he would appreciate any assistance that would enable him to reach his goal — of making the EAC play an effective role in the affairs of the country.

SOUTH AFRICA

# COETZEE REAFFIRM POLICE ATTITUDE

Johannesburg THE CITIZEN in English 1 Aug 85 p 10

[Text]

THE Commissioner of Police, General Johan Coetzee, has "reaffirmed" that the police are not concerned with the private lives or personal viewpoints of individuals unless their actions involve State security.

Gen Coetzee was commenting on the findings of the Media Council which yesterday dismissed a police complaint against the Star newspaper.

The Media Council found that two senior security police colonels had admitted that certain unnamed security had distributed a pamphlet and a tape recording alleging that Dr Allan Boesak, a patron of the United Democratic Front and president of the World Alliance of Reformed Churches, was having an affair with Miss Di Scott, an official of the SA Council of Churches.

In his statement, Gen Coetzee said: "The South African police wishes to re-affirm its attitude, as stated by the Minister of Law and Order in Parliament, that it is not interested in the private life or personal viewpoint of any individual, unless such individual's actions involve the security of State.

The police would yesterday not comment on the possibility of any internal inquiry or possible disciplinary actions being taken as result of the Media Council findings.

But Gen Coetzee said he had taken cognizance of the council's findings.

"The finding," he said, "confirms that neither the SA police nor any of its divisions were, as such, responsible for the fabrication or dissemination of the pamphlet or tape recording in question".

He also noted that two jurists, Professor SA Strauss and Mr G Hugo, who represented the public at the hearing did not in all respects agree with the finding of the majority of the Council.

A police spokesman said in Pretoria yesterday that the Commissioner's statement would be the only one made on the Council's finding at this stage.

CSO: 3400/818

SOUTH AFRICA

#### BRIEFS

MARITZBURG FACES BOYCOTT--A THREATENED consumer boycott of white shops in Maritzburg is hanging in the balance as the Metal and Allied Workers' Union (Mawu) await response from BTR Sarmcol and the Chambers of Commerce and Industry. The threatened boycott is intended to get businessman to persuade Howick-based BTR Sarmcol to meet with the Metal and Allied Workers' Union (Mawu), who are demanding the reinstatement of 975 workers fired by the company last month. A Mawu spokesman said yesterday that if the boycott was launched it would be the joint decision of community and labour organisations in the area. Maritzburg was hit by a work stay-away two weeks ago which closed most industries in the area. The stay-away was also launched to pressure BTR Sarmcol into reinstating workers who went on strike over union recognition. Dr Keith Wimble, president of the Maritzburg Chamber of Commerce, said they had decided to meet both Mawu and BTR Sarmcol in an attempt to get the two parties together. He said the chamber did not see stay-aways or consumer boycotts as productive measures because they could force employers to consider further retrenchments. He also said he believed that such a move would alienate sympathy for their cause. [Text] [Johannesburg BUSINESS DAY in English 30 Jul 85 p 3]

SBDC FUNDS DRAINED--RECESSION-HIT firms have taken up more than half of the Small Business Development Corporation's R30-million special aid fund. The number of inquiries related to advisory services received in the first half of this year exceeds the total for the whole of last year by more than 400. About 10 000 inquiries were made in the first half of the year, bringing the figure for the 18 months to June to more than 20 000. About 64% of the inquiries were related to financing. Non-financial inquiries increased fourfold in the first quarter of the year compared with the comparable time last year. Adverse economic conditions and an increase in the number of SBDC offices are given as the two main factors responsible for the exceptional rise in the appeals for help. In addition to the corporation's special aid fund, 3 075 loans for R73,4-million have been approved in the course of the SBDC's normal financial programme. A total of 41% of the inquiries were from the commercial sector, 38% from manufacturing and 21% from service enterprises. Existing businesses made most of the inquiries. The flood has caused concern at the SBDC, especially because an estimated 80% of the total of 20 000 came from non-clients with no revenue-producing prospects. The SBDC's senior manager, development, Mike Smuts, says: "It is of the utmost importance that a formula be found whereby the authorities can contribute to the provision of costly but

needed services. "More than 90% of the R15-million allocated in terms of the corporation's special aid fund has been taken up by non-SBDC clients. Only 8,5% went to clients." The SBDC has allocated a large part of its budget to expand its advisory services. [By Amrit Manga] [Text] [Johannesburg SUNDAY TIMES [Business] in English 28 Jul 85 p 5]

ALL-RACE ADVISORY COUNCIL--THE growing numbers of Indian, coloured and black public servants are to be given representation on the influential Joint Advisory Council of the Public Service, according to chairman of the Commission for Administration, Dr Johan de Beer. There are four employee organisations in the service: the Public Servants' Association (white), the Public Servants' League (coloured), the Public Servants' Union (Indian), and the Institute of Public Servants (black). At present the PSA is the only staff body recognised for appointment to the council. Previously a personnel association had to have as members at least 50% of the officials in the A or B division of the service to nominate six members to the council. The commission appointed the other six members. The council is now to be enlarged to 16 members--eight of them nominated by the commission. De Beer said each association would have at least one representative on the council. PSA president Dr Colin Cameron said the PSA accepted "without reserve" the right of other groups in the service to have representation in the council. However, he stressed, the council had no negotiating powers. [Text] [Johannesburg BUSINESS DAY in English 30 Jul 85 p 3]

MARKINOR SURVEY RESULTS--PESSIMISM and frustration are common to all South Africans, according to a survey by market research group Markinor. The survey shows that a majority of all respondents, regardless of race, sex or language group, blame government for the dire state of the economy. It notes that the alarming degree of pessimism and frustration is fuelled by the belief that individuals can do nothing to improve the present situation. Markinor says that 71% of urban blacks have made drastic cuts in their living standards as opposed to only 20% of urban whites. Clothing, food and savings suffer most from the cutbacks; 90% of blacks are spending less on clothes (whites 52%), 86% buy cheaper cuts of meat (whites 39%) and 83% are saving less (whites 81%). While almost all blacks have been hammered by the recession, whites have been affected more selectively. [Text] [Johannesburg BUSINESS DAY in English 29 Jul 85 p 4]

LOCAL TOURISM GROWS--CAPTOUR MD John Robert said there is no doubt that overseas tourism to South Africa was being affected by the negative publicity given to the Republic, but that the domestic market was showing welcome signs of a breakthrough. He said that despite Fedhasa's claims that hotel occupancy had dropped below the 40% level, the upturn in the domestic tourism market still represented a most positive development. [Text] [Johannesburg BUSINESS DAY in English 1 Aug 85 p 4]

OIL DEPENDENCY TO END--WOUTH Africa will be virtually independent of foreign oil supplies in the next five years, according to a spokesman for the Department of Mineral and Energy Affairs. Dr Robert Scott, director of energy planning at the department, told a Pretoria newspaper yesterday that two synthetic fuel processes would be put before Parliament for approval next year. A third

process was in development stages. The newspaper said the three methods involved the conversion of natural gas, the indirect liquefaction of coal and the distillation of oil shale. The Energy Policy Committee, the country's co-ordinating body of energy policy and strategy, would consider the synthetic fuel proposals as a top priority to achieve the desired level of self-sufficiency by 1990, Dr Scott was quoted as saying. The new processes would not produce all the by-products of the Sasol plants, but would basically produce synthetic petrol and diesel. If the projects were passed, they and future projects would be financed by a Central Energy Fund, Dr Scott said. [Text] [Johannesburg THE CITIZEN in English 7 Aug 85 p 3]

BEEF PRODUCTION WORRIES--THE gross value of red-meat produced in 1938-84 amounted to R2,45bn--44% of total animal production and 20% of all agricultural production, said Minister of Agriculture and Water Provision Sarel Hayward. Speaking at the opening of a Meat Science Centre at Irene, Hayward said that the red-meat industry consisted of 32 000 producers and 700 middlemen. There were 410 abattoirs and carcasses were handled by 305 wholesalers. The meat was sold through 5 150 retail butchers and 970 supermarkets. The minister stressed that it had become increasingly difficult to farm red meat profitably. Consumers were offered more sources of protein foods sold at highly-competitive prices. The image of beef was also seriously damaged by being presented often as unhealthy. This was a totally wrong impression. Hayward stressed the importance of research funds. In SA R65m a year was spent on agricultural research. For animal and veterinary research R22m would be spent this year. In other development countries, Hayward said, 2,5% of the gross value of agricultural products was spent on research and extension. In SA a meagre 0,84% was spent. [By Gerald Reilly] Text] [Johannesburg BUSINESS DAY in English 1 Aug 85 p 4]

LOANS FOR LEBOWA--LOANS totalling R19,7m have been granted to Lebowa by the Development Bank of Southern Africa. These, the first loan agreements to be signed between Lebowa and the bank, marks the first time that it has made agreements with all of its participating states. The total is split seven ways between three separate projects which carry an estimated value of R46,1m. The largest slice--three loans totalling R13,6m--go to Seshego Industrial Development Project which involves the construction of factory buildings, flats and other infrastructural development. Smaller amounts go to the Phokoane Maize Project, three loans totalling about R1,2m to set up commercial farmers in the Nebo district and the Lebowa government; R5m for the surfacing and up-grading of the Nebo/Jane Furse road and the construction of two links roads. [Text] [Johannesburg BUSINESS DAY in English 1 Aug 85 p 14]

CSO: 3400/864

ZIMBABWE

# SEMINAR ON ROLE OF SOCIALIST BOOKS

Harare THE HERALD in English 25 Jul 85 p 16 :

[Text] A TWO-DAY seminar on the role of socialist and progressive books and magazines in the transformation of Zimbabwe to a socialist-oriented state will be held in Harare on August 1 and 2.

The seminar, organised by Grassroots Books in conjunction with the Department of Commissariat and Culture of Zanu (PF), is believed to be the first such seminar to be held in Central Africa, a statement issued by Grassroots Books said yesterday.

The Zanu (PF) secretary for the Commissariat and Culture, Dr Herbert Ushewokunze, will present a paper at the seminar dealing with the role of the revolutionary democratic party in the dissemination of socialist ideology through the medium of books and magazines.

Among the speakers at the seminar are: Dr Emmanuel Ngara, a well-known literary critic and author; Dr Pfukati, deputy principal of Morgan Zintec Teachers' College; and Cde Kempton Makamure, a lecturer in law at the University of Zimbabwe.

The seminar is open to the public. Invited guests include librarians, authors, journalists, publishers, teachers, Zanu (PF) political commissars and Government officials from several ministries.

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ZIMBABWE

EGYPT PLANS TO DIVERSIFY TRADE

Harare THE HERALD in English 25 Jul 85 p 17

[Text] EGYPT looks forward to extending trade relations with Zimbabwe beyond tobacco because it believes there is more room for closer co-operation.

The Egyptian Ambassador to Zimbabwe, Mr Yousri Rizk, marking his country's 33rd national day, said he was happy that Egyptian experts in medicine, information and culture were working closely with Zimbabweans.

Egypt was looking forward to more co-operation for the benefit of the two countries.

The Minister of Foreign Affairs, Dr Witness Mangwende, and Mr Rizk expressed their countries' support for the decolonisation of Namibia and the implementation of UN Resolution 435.

In a speech read on his behalf by the Deputy Minister of Education, Senator Joseph Culverwell, Cde Mangwende said despite Zimbabwe's gratitude for the inspiration, practical support and encouragement from Egypt during the liberation struggle, Zimbabwe also noted that Egypt had contributed its solidarity through the assistance it rendered in reconstruction, rehabilitation and development programmes, especially in the technical field.

Cde Mangwende said neither puppetry nor linkage would solve the Namibian problem. South Africa had to be forced to abandon its occupation of Namibia through the application of tough measures by the international community.

The minister said he hoped that the meeting of ministers of Non-Aligned countries to be held in Luanda, Angola, in September would make the necessary follow-up to the New Delhi call for the speedy implementation of the Namibian independence plan.

Cde Mangwende said the recent declaration of a state of emergency in South Africa was aimed at legalising and covering up the apartheid system's brutalities.

Before the speeches were delivered the Egyptian ambassador called for a minute's silence in honour of the Spanish ambassador to Zimbabwe, Mr Jose Luis Blanco-Birones, who was found dead on the outskirts of the Harare suburb of Northwood on Monday.

CSO: 3400/819

ZIMBABWE

PROGRESS MAKES INDUSTRIALISTS MORE OPTIMISTIC

Harare THE HERALD in English 26 Jul 85 p 1

[Text] BUSINESS confidence in industry showed a marked improvement during the first half of this year and industrialists are more optimistic now than six months ago.

A business opinion survey by the Department of Business Studies of the University of Zimbabwe showed that the optimism expressed by 63,8 percent out of 105 people was the highest recorded in the nine surveys conducted by the department over four years. The survey was sent to 150 people.

The results available yesterday, said after very rapid growth in the first half of this year, the rate of industrial expansion will slow in the second half of the year.

"Over 1985 as a whole industrial production is likely to be little different from that experienced in 1982 and marginally below its 1981 peak," the survey said.

"However, even with the recently announced increase in import allocations, input shortages will intensify and inflationary pressures mount as demand improves."

Survey response showed that an average of 60 percent of respondents reported that import allocations had adversely affected production since April 1981 as against 58 percent for domestic demand.

The survey said the experience of the past five years raised serious doubts as to the viability of an economic policy heavily reliant on import and exchange controls. Reliance on foreign borrowings and aid inflows had failed to provide an answer.

There had been no measureable improvement in real living standards since independence, which are 20 percent lower today than in 1974. Employment was also lower than 10 years ago during which time the population has risen by more than 2 million people.



ZIMBABWE

#### WORKSHOP TO FOCUS ON WOOD HARVESTING

Harare THE HERALD in English 25 Jul 85 "Business Herald" supplement p 1

[Article by Andrew Rusinga]

[Text] FINLAND'S Forestry Training Programme and the Food and Agriculture Organisation are sponsoring a workshop on wood harvesting and appropriate technologies for village forestry to be held in Harare in mid-1986.

A preparatory mission is already in Zimbabwe to make arrangements for the workshop to be attended by participants from throughout Africa.

The FP is a department of the Finnish Board of Vocational and Technical Education and it runs an international training programme for forestry and wood industry development in selected developing countries.

The workshop will form part of Finland's growing co-operation with Zimbabwe in forestry. A number of Zimbabweans have been trained in Finnish forestry institutions and a number of courses have been held in Zimbabwe.

The international workshop on forestry curriculum development which opened in Mutare on Monday is being sponsored by Finland.

Speaking at the annual general meeting of the Timber Council of Zimbabwe in Harare last week, the Finnish trade commissioner in Zimbabwe, Mr Matti Hyvarinen, said Finland hoped to continue and increase its co-operation in the forestry training sector.

He promised the private sector that soft loans would be provided to the sector under his country's assistance programme with Zimbabwe to import machinery.

"At the moment we have no money available, but I do sincerely hope that in 1986 we shall be able to sign the 4th development credit between our two governments."

Mr Hyvarinen said he had earmarked the needs of the Forestry Commission in the preliminary plans for next year and that "we are most willing to offer our equipment to the private sector and depending on availability of new funds and the decision by the Zimbabwe authorities, we hope that we could be in business together in 1986," he told the meeting.

Experts in Finland firmly believed Zimbabwe could export more timber, but they understood the problems being faced by the local timber industry.

The trade commissioner said the world trade in softwood sawn timber in 1984 was about 62,8 million cubic metres. The US bought 45 percent of that with 83 percent being supplied by Canada. Europe took 36 percent of the world total.

CSO: 3400/819

ZIMBABWE

BRIEFS

WOOD PULP EXPORTS--SWAZILAND will have another good year exporting wood pulp in 1985--127 000 tons of product will be sold on overseas market. The pulp is exported to South America, Europe, Africa, the Far East and North America, via Maputo, Richards Bay and Durban. Tony Viegas, shipping administrator for the Usutu Pulp Company, said Swaziland had been exporting the pulp since 1962 when the first export consignment was shipped via what was then Lourenco Marques. [Text] [Johannesburg BUSINESS DAY in English 2 Aug 85 p 7]

MAIZE IMPORTS HALTED--SWAZILAND has halted the importation of maize products into the country with immediate effect. The principal secretary of the Department of Commerce and Industry, Chris Mkhonza, said the decision to refuse import permits was necessary to end the present maize crisis which was threatening Swazi maize farmers. [Text] [Johannesburg BUSINESS DAY in English 1 Aug 85 p 1]

BUDGET HAILED AS FAIR--HARARE--Industrialists and economists have welcomed Zimbabwe's 1985/86 budget unveiled on Tuesday as realistic and fair, but expressed concern at the deficit of R1,063 billion, up 27 percent over last year's figure. While welcoming the budget, spokesmen for the Zimbabwe National Chamber of Commerce and of the Confederation of Zimbabwe Industries, the two bodies grouping the country's industrialists, called for more investment to curb the deficit. Government spending on defence and education where increased. [Text] [Johannesburg THE CITIZEN in English 1 Aug 85 p 12]

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